



# Arfin India Limited

August 21, 2024

**BSE Limited**

Corporate Relation Department,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai – 400001,  
Maharashtra, India

**BSE Scrip Code: 539151**

**BSE Security ID: ARFIN**

**ISIN : INE784R01023**

**Dear Sir / Madam,**

**Subject: Annual Report including notice of 32<sup>nd</sup> AGM for the financial year ended March 31, 2024**

**Reference: Intimation under Regulation 30 & 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Pursuant to Regulation 30 & 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report including notice of 32<sup>nd</sup> AGM of the Company for the financial year ended March 31, 2024.

In compliance with relevant circulars issued by Ministry of Corporate Affairs and the Securities and Exchange Board of India, the Annual Report including the Notice of 32<sup>nd</sup> AGM of the Company for the financial year 2023-24 has been sent to all the members of the Company whose email addresses are registered with the Company or Depository Participant(s).

The aforesaid report is also available on the website of the Company at [www.arfin.co.in](http://www.arfin.co.in).

This is for your kind perusal and member's information.  
We request you to take the same on your record.

Yours faithfully,

**For Arfin India Limited**

*Mahendra R. Shah*

**Mahendra R. Shah**  
Chairman & Whole Time Director  
DIN: 00182746



Encl.: As above

**Registered & Corporate Office :**  
Plot No. 117, Ravi Industrial Estate,  
B/h. Hotel Prestige, Billeshwarpura, Chhatral,  
Tal. - Kalol, Dist. - Gandhinagar - 382729, Gujarat, India.  
Ph.: +91-2764-232621 Fax : +91-2764-232620  
Email : [info@arfin.co.in](mailto:info@arfin.co.in)  
CIN No. : L65990GJ1992PLC017460

**Plant / Factory :**  
Plot No. 118 / 1,2,3 & 117 / 3,6,7, Ravi Industrial Estate,  
B/h. Hotel Prestige, Billeshwarpura, Chhatral,  
Tal. - Kalol, Dist. - Gandhinagar - 382729, Gujarat, India.  
Ph. : +91-2764-232620  
Fax : +91-2764-232620

# ANNUAL REPORT **2023-24**



***IGNITING OUR IMAGINATIONS***



**ARFIN INDIA LIMITED**



**PRESENTING**

**OUR PURPOSE STATEMENT**

**“ TO BUILD DYNAMIC AND RESPONSIBLE BUSINESSES,  
THAT INSPIRE TRUST. ”**



**Arfin India Limited is an industry leader in Aluminium & Ferro Alloys segment. Promoted by Mr. Mahendra Rikhavchand Shah & Mr. Jatin Mahendra Shah. Clientele includes JFE, Qatar Steels, Honda trading, toyota, Nissan, Mitsui & Co., JSL, Tata Steel, Sabc, Adity Birla, L&T, SAIL, JSW, JSPL, FHS, Jindal Shadeed & AMNS. Along with Steel Sector Arfin has expanded its Supplies in Automobile & Power Sector in Domestic and International Markets.**

**Arfin is Registered member of the AAI (Aluminium Associate of India), BIR (Bureau of International Recycling) & MRAI (Metal Recycling Association of India). Incorporated innovative production technologies and updated method to match current global standards ensuring optimization of its presence.**

**“The Company possesses an inherent production capacity of 71,000 metric tons per annum, supporting a diverse range of main products such as Aluminium Wire Rod, Aluminium Deox, Cored Wire, Aluminium Alloy Ingots, Ferro Titanium, and Conductor & Cables. Arfin's wide-reaching capabilities extend to supplying the Steel Sector, Automobile Sector, and Power Sector through its established product portfolio. Notably, Arfin caters to both domestic and international markets, serving customers not only in India but also across the globe. With recent collaboraytion with JFE Shoji India Pvt. Ltd. via strategic partnership the capacity expansion will reach upto 1,13,000 metric tons per annum in upcoming 10 years.”**

**At Arfin, we focus on high margin products and product premiumisation by forward integration, launch of new products, optimising portfolio mix and higher capacity utilisation by Exploring opportunities of strategic alliances with key domestic and international players for geographical and product portfolio expansion and also moving ahead to commission renewable energy project for captive consumption to reduce the carbon footprints and energy cost.**

## FINANCIAL HIGHLIGHTS

### 5 Year Financial Summary

#### Key Highlights of Financial Position

₹ In Lakhs

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Share Capital	1,589.24	1,589.24	1,589.24	1,589.24	<b>1,589.24</b>
Reserves and Surplus	4,898.76	5,247.15	6,175.22	7,219.25	<b>8,046.65</b>
Net Worth	6,488.00	6,836.39	7,764.46	8,808.49	<b>9,635.89</b>
Total Borrowings	10,939.25	10,885.25	11,165.59	11,214.89	<b>12,427.52</b>
Capital Employed	17,427.25	17,721.64	18,930.05	20,023.38	<b>22,063.40</b>
Trade Payables	1,843.44	4,776.48	5,296.14	6,190.87	<b>4,944.39</b>
Net Block	4,599.51	6,147.44	6,163.42	6,527.60	<b>6,554.32</b>
Inventories	9,623.48	11,139.58	10,110.16	11,163.62	<b>14,854.21</b>
Trade Receivables	3,104.35	4,257.39	7,361.71	5,706.86	<b>4,800.28</b>

#### Key Highlights of Financial Results

₹ In Lakhs

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Net Sales and Operating Income	35,857.27	30,344.58	52,610.72	54,411.22	<b>53,515.59</b>
Total Income	36,029.26	30,542.31	52,761.72	54,659.56	<b>53,714.74</b>
Cost of Goods Sold	29,625.63	24,666.93	44,481.78	46,435.30	<b>44,622.87</b>
PBDIT	(423.01)	1,839.39	2,547.38	2,891.93	<b>3,219.74</b>
Finance Cost	1,361.51	1,103.16	1,235.57	1,438.64	<b>1,857.42</b>
PBDT	(1,784.52)	736.24	1,311.81	1,453.29	<b>1,362.32</b>
Depreciation	265.72	280.79	331.54	355.14	<b>390.53</b>
Profit Before Tax	(2,050.24)	455.45	980.27	1,098.15	<b>971.79</b>
Profit After Tax	(2,157.18)	401.51	918.73	1,031.68	<b>822.04</b>
Cash Profit	(1,891.46)	682.30	1,250.27	1,386.82	<b>1,212.57</b>

## FINANCIAL HIGHLIGHTS

### Ratios

Financial Performance	2019-20	2020-21	2021-22	2022-23	2023-24
Cost of Goods Sold / Net Sales	82.62%	81.29%	84.55%	85.34%	<b>83.38%</b>
Manpower Cost / Net Sales	1.39%	1.81%	1.41%	1.53%	<b>1.81%</b>
Manufacturing Expenses / Net Sales	7.78%	8.16%	7.17%	6.00%	<b>6.54%</b>
Finance Cost / Net Sales	3.80%	3.64%	2.35%	2.64%	<b>3.47%</b>
PBDIT / Interest (Debt-Service Coverage Ratio)	(0.31)	1.67	2.06	2.01	<b>1.73</b>

Profitability	2019-20	2020-21	2021-22	2022-23	2023-24
PBDIT / Net Sales	(1.18%)	6.06%	4.84%	5.31%	<b>6.02%</b>
PBDT / Net Sales	(4.98%)	2.43%	2.49%	2.67%	<b>2.55%</b>
Net Profit / Net Sales	(6.02%)	1.32%	1.75%	1.90%	<b>1.54%</b>
RONW (PAT / Average Net Worth)	(28.55%)	6.03%	12.58%	12.45%	<b>8.89%</b>
ROCE (PBDIT / Average Capital Employed)	(2.26%)	10.47%	14.01%	15.32%	<b>15.26%</b>

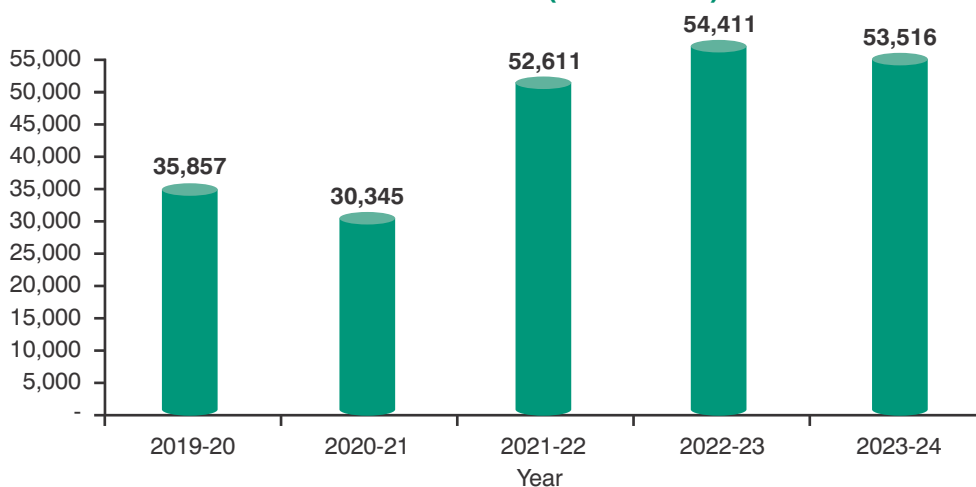
Balance Sheet	2019-20	2020-21	2021-22	2022-23	2023-24
Debt-Equity Ratio	1.69	1.59	1.44	1.27	<b>1.29</b>
Debtors Turnover (Days)	28	45	44	33	<b>28</b>
Inventory Turnover (Days)	98	134	70	75	<b>102</b>
Current Ratio	1.19	1.42	1.53	1.41	<b>1.58</b>
Quick Ratio	0.36	0.47	0.69	0.62	<b>0.46</b>
Asset Turnover (Total Income / Total Assets)	1.85	1.35	2.16	2.06	<b>1.97</b>

Key Financial Parameters (₹ In Lakhs)	2019-20	2020-21	2021-22	2022-23	2023-24
Net Sales	35,857.27	30,344.58	52,610.72	54,411.22	<b>53,515.59</b>
Profit Before Depreciation, Interest and Tax	(415.36)	1,839.39	2,547.38	2,891.93	<b>3,219.73</b>
Profit Before Tax	(2,042.60)	455.45	980.27	1,098.15	<b>971.79</b>
Profit After Tax	(2,157.18)	401.51	918.73	1,031.68	<b>822.03</b>
Cash Profit	(1,891.46)	682.30	1,250.27	1,386.82	<b>1,212.56</b>

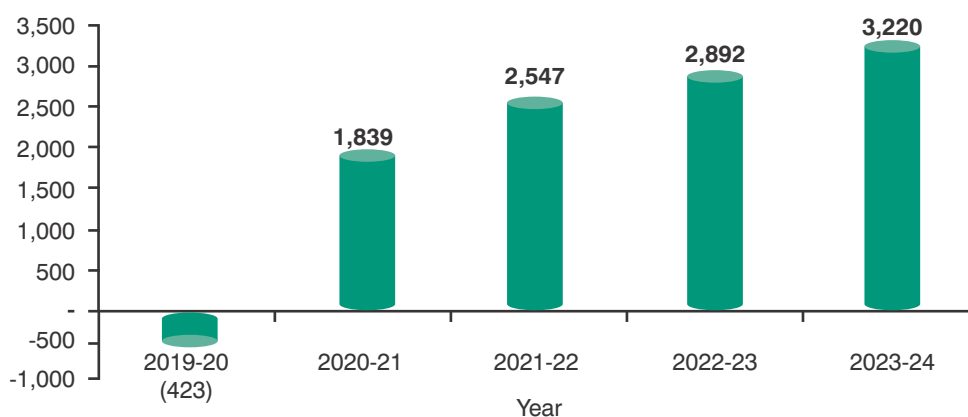
Per Share Data	2019-20	2020-21	2021-22	2022-23	2023-24
Basic Earnings Per Equity Share (₹)	(1.36)	0.25	0.58	0.65	<b>0.52</b>
Cash Earnings Per Equity Share (₹)	(1.19)	0.43	0.79	0.87	<b>0.76</b>
Book Value Per Equity Share (₹)	4.08	4.30	4.89	5.54	<b>5.54</b>

## FINANCIAL HIGHLIGHTS

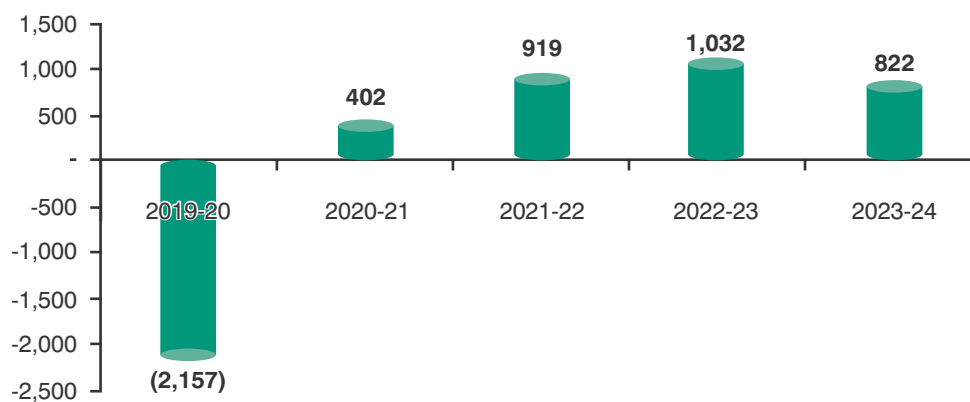
### Net Sales (₹ In Lakhs)



### EBIDTA (₹ In Lakhs)

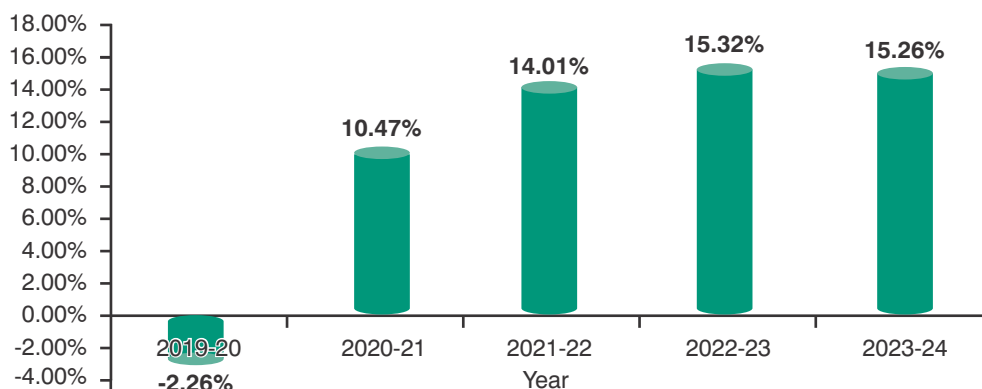


### Profit After Tax (₹ In Lakhs)

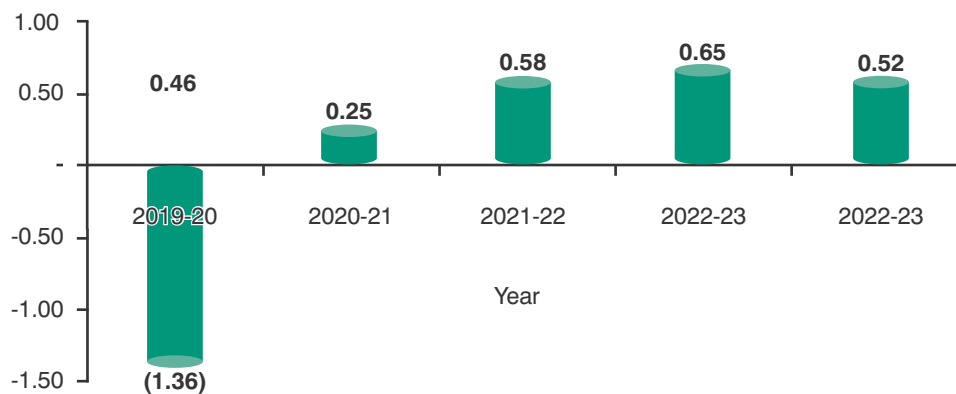


# FINANCIAL HIGHLIGHTS

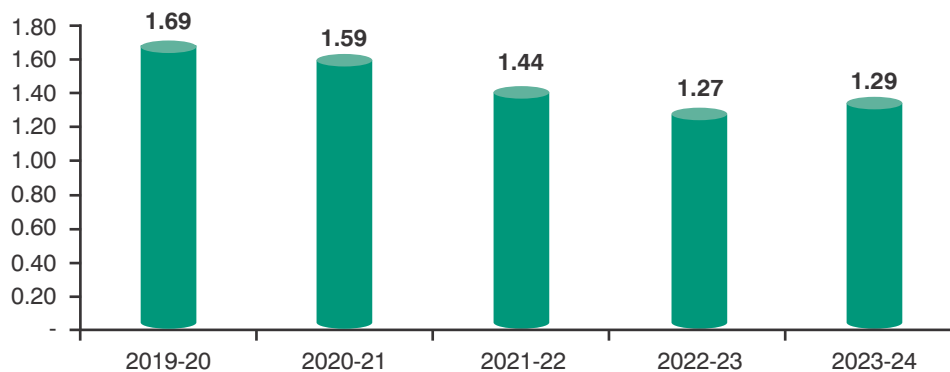
## ROCE (%)



## Earnings Per Share (₹)



## Debt Equity Ratio (x)





## Message from Chairman

**Mahendra R. Shah**  
Chairman

“Our Journey Is Defined By Resilience Reflecting Our Unwavering Commitment To Transparency, Accountability And Excellence In All Our Endeavors.”



## Dear Stakeholders,

I am honored to share with you a comprehensive overview of our financial performance and strategic initiatives for FY 2023-2024. This document represents more than just numbers and figures; it embodies the collective efforts, dedication, and resilience of every individual associated with Arfin. Throughout this year we've been exploring uncharted territories, backing our conviction with capital and talent. Our robust platform is a launch pad for new initiatives, allowing us to tap into opportunities across traditional and sunrise sectors

This year, we've emphasized the implementation of our Strategy for capturing global market by collaboration and partnership for business expansion. This approach has enabled us to build enduring bonds with our stakeholders, including crucial employee segm

### Economic Overview

In 2023-24, global economies experienced a shift from a phase of turbulence to that of recovery. Moderation in inflation levels worldwide provided central banks with the opportunity to temporarily halt interest rate hikes. Nevertheless, efforts to maintain a downward pressure on inflation limited the scope for policy rate reductions. Persistent geopolitical tensions, remained a notable concern. Despite these challenges, some emerging economies like India remained resilient, contributing significantly to the global momentum.

Among the most exciting journeys in the modern economic landscape is the substantial progress of the Indian economy. Currently deemed as the fastest-growing economy, India has become a global hub for foreign investments, reinforcing its perception as an emerging power. The nation's rapid growth trajectory is propelled by the conducive business environment that has been established. The growth is driven by the 'Make in India' initiative, supported by schemes such as the PLI scheme, which has attracted investments in several key sectors.

As a firsthand witness to India's transformation from a young developing country to its current economic stature, we anticipate a future filled with opportunities. The coming years are poised to unlock the vast potential of the Indian economy, propelling both the nation and Arfin to new heights.

***“At Arfin, as we journey towards growth and success, we approach setbacks and challenges with unwavering determination, persistence, and fortitude.”***

### Financial and Operational Highlights

In our journey, we have consistently demonstrated adaptability, recognizing the importance of staying attuned to the ever-changing needs of our consumers is reflected in the continuous evolution of our product range to address the pressing challenges of the modern world.

Mutually beneficial alliance have been among the founding pillar of our success. Our recent strategic partnership with JFE Shoji India Private Limited, an affiliate of JFE Shoji Corporation in Japan has played a pivotal role in expanding our footprint in the aluminum market at global platform for distribution of Aluminium Product. Arfin, premier name in the industry, has surpassed its previous benchmarks in terms of units sold and is a steadily emerging aluminum name Deox and Wire Rod.

In essence, the journey of Arfin is defined by resilience, adaptability, and unwavering dedication to growth and innovation. As we navigate the complexities of the global business landscape, we remain steadfast in our commitment to shaping a sustainable and prosperous future for both our organization and the communities we serve.

Turning our attention to Arfin India's performance, the Company's Gross Sales is of ₹ 62,090 Lakhs and Profit After Tax of ₹ 822 Lakhs. During the year, your Company has sold 27,513 metric tons of goods. The Company has reported EBIDTA of ₹ 3,220 Lakhs in compare to ₹ 2,892 Lakhs during the previous financial year 2022-23, with a year on year growth 11.3%.

In our pursuit of global excellence, the Company has sold goods worth ₹ 109 Crores to overseas customers during the year in compare to ₹ 152 Crores during the previous financial year 2022-23. The Company expects to grow further in export markets. The Company will add more quality export customers to its portfolio. Notably, a substantial portion of our imports is offset by the increase in export sales, resulting in a natural hedge for our import payments.

Within our core businesses, we have recorded impressive volume growth. Our Aluminum Deox business grew by 13%, and Conductor & cables by 35%, compared to the previous fiscal year. These developments, coupled with favorable demand-supply dynamics, reaffirm our belief in the untapped potential of our invested capital and our capacity to deliver even better results.

At the core of Arfins' approach lies a dedication to innovate, evident in our latest offerings perfectly aligned with the preferences of consumers. Additionally, our collaboration with JFE Shoji India Private Limited, an affiliate of JFE Shoji Corporation in Japan will play a pivotal role for with Arfins' growth. Arfin, driven by a customer-centric philosophy, continues to ensure that its products not only meet but exceed the expectations of the modern consumer.

### Heartfelt Thanks

My gratitude goes out to all of you – our loyal shareholders who have stood by us all along, clients, partners and our new investors, as we come together to reflect on the journey that has led us to this point. As we celebrate our achievements and the remarkable milestones of the past, we look forward with anticipation and excitement to the future. The upcoming years promise to be filled with new challenges, growth opportunities, and groundbreaking accomplishments. With a legacy built on dedication, expertise, and a pioneering spirit, Arfin is poised to embark on this exciting journey with steadfast determination.

Furthermore, we acknowledge and celebrate the exceptional dedication and hard work of the entire Arfin Team. Their relentless efforts have delivered unparalleled service. Each member of our team embodies our values and commitment to excellence, and we are immensely proud of their contributions to our journey. Together, we stride confidently into the future, ready to make history.

As we reflect on the past year and the journey we have traversed, we are delighted to connect with all of you through this letter.

Thank You!



**Mahendra R. Shah**

(Chairman and Whole Time Director)

## Message from Managing Director's

**Jatin M. Shah**  
Managing Director

“In a world of increasing opportunity and accelerating uncertainty, our purpose statement is meant to act as a talisman and remain at the core of our business decisions.”





## Dear Stakeholders,

Our foundation rests upon a trusteeship philosophy, which imagines corporations as institutions that drive collective prosperity. This philosophy has played an integral role in shaping our actions for generations, guiding our quest to enrich lives. Over the years, this purpose, though unstated, has been our unwavering anchor.

In FY 2023-2024, we formally put to words our purpose statement. Commitment to Ignite the Imagination and enriching lives by building dynamic, responsible businesses and institutions that inspire trust.

A vital component of the rise of any industrial ecosystem is the presence of a confident and skilled workforce. This year, India surpassed China in population and already has the largest and youngest working-age population globally. The lessons learnt from the transformations of other economies through the last few decades' point to the importance of this demographic dividend. In the grand theatre of global economic evolution, India is not a mere spectator but a charismatic lead.

## Arfin in Perspective

Driven by purpose, the fiscal year 2023-2024 represents the breadth and scope of entrepreneurial ventures we have embarked upon. This year we have entered into investment agreement and Strategic Partnership with JFE Shoji India Pvt. Ltd. (JFE) where in JFE has invested in Arfin where the funds will be utilized for the capex requirements for expanding the installed production capacity, funding long-term working capital requirements and other growth avenues of the company. An unwavering dedication to responsible business practices matches your Company's commitment to value-enhancing growth and JFE Shoji will strive to expand sales of Arfin's recycled aluminum deox products within India as well as in the surrounding region.

As we continue to expand, we are exploring uncharted territories, backing our conviction with capital and talent. Our robust platform is a launch pad for new initiatives, allowing us to tap into opportunities across traditional and sunrise sectors. Our commitment to the identification and cultivation of talent has remained resolute.

***“Our purpose offers us a unique lens through which to view the world, bring perspective, and thrive in it. Guided by this unique perspective, we navigate the evolving global landscape with resilience and foresight”***

## MANAGING DIRECTOR'S MESSAGE

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In conclusion, our Purpose broadens our perspective, enabling us to pursue even greater horizons. The bedrock propels us towards the future, emboldening us to venture into more significant commitments and pursuits.

The forces of change engulfing the world are creating a whole new set of exciting possibilities and unbelievable opportunities. Many that didn't even exist yesterday. We are uniquely privileged that we are not passive recipients of changing circumstances but can actively shape our destiny. And this tomorrow is for us to discover and build. Across businesses, we are at the cusp of a transformational growth cycle. As a business house, we have always made investment decisions based on long-term fundamental drivers like market opportunity, demography, technology, etc. Our strong leadership position across key businesses has come on the back of bold but calibrated long-term bets. Given the inherent strengths of your Company, we are again at a moment where we are uniquely positioned to invest for long-term growth and explore new paradigms. An exciting journey beckons.

Your Company doesn't just pride itself on being a purpose-driven entity it embodies it, living out this ethos in every endeavor, every relationship, and every venture. This commitment to purpose continues to steer us towards an even brighter, more impactful future.

Thank You!



**Jatin M. Shah**  
(Managing Director)

UNITY  
BRINGS POWER  
TO  
SUCCESS



ARFIN INDIA LIMITED





# #AREFIN





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# CORPORATE INFORMATION





## BOARD OF DIRECTORS KMP-CONSULTANTS & ADVISOR

### **Mahendra R. Shah**

Chairman & Wholetime Director



### **Jatin M. Shah**

Managing Director



### **Pushpa M. Shah**

Executive Director



### **Mukesh Kumar Chowdhary**

Independent Director



### **Hardik S. Hundia**

Independent Director



### **Tarachand R. Jain\***

Independent Director



### **Pawan Kumar Lohiya\***

Chief Financial Officer

### **Saloni G. Hurkat\***

Company Secretary

### **Raman M. Jain & Co, Ahmedabad**

Statutory Auditors

### **Kamlesh M. Shah & Co., Ahmedabad**

Secretarial Auditors

### **Ashish Bhavsar & Associates, Ahmedabad**

Cost Auditors

\* Saloni Hurkat appointed w.e.f. 24/08/2024 as Company Secretary & Compliance Officer

\* Tarachand R. Jain was appointed w.e.f. 25/11/2023 as Independent director (Non-Executive)

\* Pawankumar Lohiya resigned w.e.f. closing of business hours of 19/06/2024 as Chief Financial Officer

## BANKERS

State Bank of India

ICICI Bank Limited

Bank of Baroda

IDBI Bank Limited

Standard Chartered Bank

## REGISTRAR & SHARE TRANSFER AGENT

### **MCS Share Transfer Agent Limited**

201, 2nd Floor, Shatdal Complex, Ashram Road, Ahmedabad – 380009, Gujarat, India.

Tel.: +91 79 26580461, 62, 63

Fax: +91 79 26580462

Email: [mcsstaahmd@gmail.com](mailto:mcsstaahmd@gmail.com)

Website: [www.mcsregistrars.com](http://www.mcsregistrars.com)

## REGISTERED & CORPORATE OFFICE

Plot No.117, Ravi Industrial Estate, Behind Prestige Hotel, Billeshwarpura, Chhatral, Gandhinagar-382729, Gujarat, India.

CIN: L65990GJ1992PLC017460

Tel.: +91 2764 232621/20

Email: [investors@arfin.co.in](mailto:investors@arfin.co.in)

Website: [www.arfin.co.in](http://www.arfin.co.in)

## WORKS LOCATION-I

118/1,2,3,4 & 117/P-3,6,7, Ravi Industrial Estate, Behind Hotel Prestige, Billeshwarpura, Taluka – Kalol, District – Gandhinagar, Chhatral – 382729, Gujarat, India.

Tel.: +91 2764 232620

Fax: +91 2764 232621

## WORKS LOCATION-II

New Block No. 132/P, (Old Block No. 75), Old Survey No. 77,78,79, Ahmedabad Mehsana Highway, Taluka – Kalol, District – Gandhinagar, Dhanot – 382729, Gujarat, India.

## WORKS LOCATION-III

Survey No. 238, B/h Bhagwati Glass, Taluka – Kalol, District – Gandhinagar, Vadaswami – 382729, Gujarat, India.

# FROM VISION TO VALUE



## VALUES

Honesty in every action

## PASSION

Missionary zeal arising out of an emotional engagement with work



## COMMITMENT

On the foundation of integrity, doing what it takes to deliver, as promised

## SPEED

Responding to stakeholders with a sense of urgency



## SEAMLESSNESS

Thinking and working together across functional silos, hierarchy levels businesses and geographies

Being Premier name in its business segment with a presence in the Indian and an international market. We are committed to sustainable growth and are expanding our business to increase our value-added product portfolio.

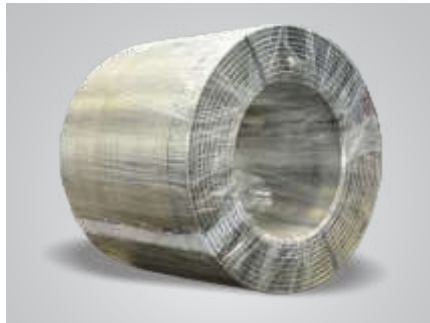
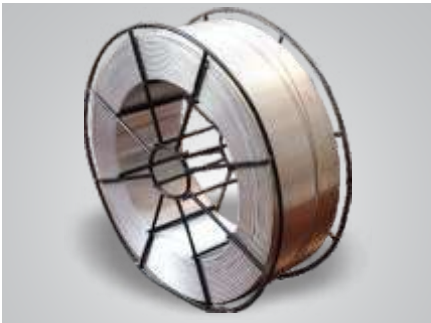
We are moving beyond our traditional role and expanding business models, prioritizing materials, value-added products, and Services.

We focus on our ability to bring the best possible value to all our people and stakeholders. Continuing with our legacy of serving our customers with high quality and reliable products

Putting Strategic Priorities in Place with a focus on transforming our future through integration of people, planet and prosperity, we have vision to be premier name in leading non-ferrous metals company to become a global leader in the Aluminum business.

# OUR DIVERSIFIED OFFERINGS

We are leading manufacturer of aluminum and Ferro alloys dealing in Aluminum Deox, Aluminum Alloy Ingots, Aluminum Wire Rods, Aluminum Automobile Components, Cored Wire Products, Conductor and Cables, Inoculants



## Focus Areas

- Capital Allocation Strategy
- Working Capital Optimization
- Cost Management
- Improving Return on Capital Employed (ROCE)
- EBITDA Performance Enhancement

## Strategic Goals

- Enhance Future Capacity
- Source Raw Materials Responsibly
- Raising organizational effectiveness
- Initiatives to remain future-ready
- Support new growth engines
- Adding value to shareholders

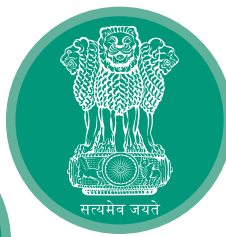
## Stakeholders Impacted



EMPLOYEES



COMMUNITIES



GOVERNMENT



VENDORS



CUSTOMERS



SHAREHOLDERS



# Arfin at a Glance

## All You should know about Arfin

Arfin is set on a path of becoming a leading name in Aluminum Industry. We foresee a future built of “Sustainable Businesses” which would continue to flourish with growing needs. Transcending towards a “Sustainable World”, we envision a future which would contain only “Sustainable Businesses”. On our path of transformation, we integrate innovation with our existing business models with an ambition to make our business sustainable in every sense of its term.

Being well aware of our operational implications, we take efforts to make our company and business endeavours adaptable for the future world. Preparing ourselves for a sustainable future, we work to strengthen our management systems in order to contribute effectively in building a sustainable business.

For us at Arfin it is imperative to be ahead in leading the change for better. To minimize the impacts of inevitable changes of the future, we need to build robust and sustainable supply chains for our businesses.

Our leadership is getting ready to identify external factors that might have an influence on our value chains and business models and the changing needs in terms of our products and brands.

Your Company’s model of a balanced portfolio with strong value added businesses and operational excellence have been the key drivers of achievements. Our efforts to actively consolidate our pole position in the metals business in India as well are firmly rooted. All of your Company’s expansion projects are on course.





For influencing change, it will take time. But to Ignite our Imaginations, we are making the businesses of today 'future-ready' and thereby contributing in our own way to the larger picture of building a "Sustainable tomorrow".

Your Company is poised to achieve a quantum leap in the next few years in every respect – volume, capabilities and enhanced value for all its stakeholders. It is well on its way to becoming a premium leading metals major with a robust presence across the Aluminium. The new assets that the Company is building will undeniably encircle it with an even greater competitive edge. Given the distinctive growth path that we have charted, the only direction that your Company can go in the years ahead is upward.

To our teams- I thank all our teams for their solid performance, undiluted commitment and laser sharp focus on delivering results

It is our abiding belief that our people are the single most important enablers from every perspective. It is with a sense of deep pride that we share with you the fact that our continuous investment in the people area has paid rich dividends. We are convinced that we are now forging ahead on the people front.



# Our Vision

**“To be a Premier name in its business segment and a trusted player global in size and reach for our products by Igniting our Imaginations via new ideas, new paradigms and creating new values for our stakeholders.”**







# GROWTH WITH PURPOSE





## INOCULANTS

The establishment of a manufacturing facility for a range of Inoculants, including Barium, Calcium, Cerium and others presents an exciting opportunity in the metallurgical / foundry industry. These inoculants play a crucial role in modifying the properties of alloys, enhancing casting quality, and meeting specific metallurgical requirements. Establishing a dedicated manufacturing facility for these inoculants is key to meeting the growing demand in the industry.

The Company has set up manufacturing facility for production of various Inoculants in existing plant of Ferro Alloys, having production capacity of 1,800 metric tons per annum respectively. The Company has also invested in machinery, equipments and technology to enhance production capabilities to meet evolving customer demands and stay ahead of the competition and showing our presence in the said market. Production of Inoculant has taken place from October 2023 and 67.42 MTPA has been produced.

Further, the Company is in process of setting up separate manufacturing facilities for production of Inoculants in upcoming years. It will further improve operational efficiencies.

## STRATEGIC PARTNERSHIP

This year your company has set hand together with JFE Shoji India Private Limited by entering Investment agreement and strategic partnership which will be a powerful tool to drive growth, innovation, and success. wherein JFE will invest in Arfin. The amount would be utilised by Arfin to fund the capex requirements for expanding the installed production capacity, funding long-term working capital requirements and other growth avenues of the company.

This will help Arfin to be a more a bigger face in the industry with greater capability. Today, we are having 71,000 MT p.a. capacity and it will increase to 1,13,000 MT p.a. in upcoming 10 years along with expansion of sales of Arfin's recycled aluminum deox products within India as well as in the surrounding region by JFE. Leadership and Contribution of Team Arfin reflects the Capability about what we can do, and of course, much of the transformation that Arfin will be been going through in upcoming years via grabbing the upcoming opportunities and believing in its Value.

In an increasingly competitive corporate landscape, business this business collaboration of Arfin with JFE has played an immense role to address complex challenges, achieve ambitious objectives, and overcome limitations that hinder the progress. By pooling resources, knowledge, and expertise, collaborative networks enable Arfin to drive innovation, bolster growth, and elevate their competitive edge in the market.

By entering this Partnership with JFE, Arfin's businesses will reap a plethora of benefits across multiple dimensions: Financial Gains, Human Capital Development, Physical Capital Utilization, Intellectual Capital Expansion, Market Expansion, Risk Mitigation, Enhanced Innovation, Streamlined Operations, Sustainability, Brand Strengthening.

In essence, this partnership is key to unlocking many benefits for Arfin, irrespective of their size or industry. By embracing collaborative strategies, our Company will definitely enhance the financial, human, and intellectual capital and create a strong foundation for sustainable growth and long-term success.





# OUR GROWING FOOTPRINTS

“One of the recent remarkable achievement to the Company is entering into Investment Agreement and Strategic Partnership with JFE Shoji India Private Limited (a group company of JFE Holdings-Japan) (JFE) where JFE will deal in various products of Arfin which will help Arfin to expand its the installed production capacity up to 1,13,000 MT resulting to Increasing the revenue and other growth avenues of the company.”

## Servicing Global Markets

- 1 Japan
- 2 Vietnam
- 3 Oman
- 4 Saudi Arabia
- 5 South America
- 7 Taiwan
- 8 Middle East
- 9 China

## Corporate and Manufacturing Presence of Arfin

- Four Manufacturing Plants located at Chhatral, Gandhinagar
- ▲ One Corporate Office at Chhatral, Gandhinagar
- Warehouses

## Our Key Associations

We have been associated with several reputed trade and industrial bodies. Some of the associations are mentioned below:

- Cable and Conductor Manufacturers Association of India
- Indian Electrical and Electronics Manufacturers' Association
- Aluminum Association of India- AAI
- Bureau of International Recycling -BIR
- Metal Recycling Association of India-MRAI

## Our stakeholders

- Investors and Lenders
- Employees
- Customers
- Vendor Partners
- Community
- Media
- Government / Regulatory Bodies
- Industry Bodies



### **Servicing Domestic Markets**

- 01 Jharkhand
- 02 Odisha
- 03 Chhattisgarh
- 04 Karnataka
- 05 Maharashtra
- 06 Punjab
- 07 Gujarat
- 08 Madhya Pradesh
- 09 Andhra Pradesh
- 10 Rajasthan
- 11 Uttar Pradesh
- 12 Telangana

## Letter From the Managing Director

“ Our resilience under a challenging environment is a tribute to the Arfin’s team, external and internal stakeholders, operational efficiency against the cross winds. True to saying the secret of getting ahead is getting started. We emerged as the strongest from the volatility and uncertainty faced during the past 2 years. ”

**Jatin M. Shah**  
Managing Director



# MANAGEMENT DISCUSSION AND ANALYSIS REPORT

## Industry Structure and Developments

Manufacturing is emerging as an integral pillar in the country's economic growth, thanks to the performance of key sectors like automotive, engineering, chemicals, pharmaceuticals, and consumer durables. The Indian manufacturing industry generated 16-17% of India's GDP pre-pandemic and is projected to be one of the fastest growing sectors.

The machine tool industry was literally the nuts and bolts of the manufacturing industry in India. Today, technology has stimulated innovation with digital transformation a key aspect in gaining an edge in this highly competitive market.

Technology has today encouraged creativity, with digital transformation being a critical element in gaining an advantage in this increasingly competitive industry. The Indian manufacturing sector is steadily moving toward more automated and process-driven manufacturing, which is projected to improve efficiency and enhance productivity.

India has the capacity to export goods worth US\$ 1 trillion by 2030 and is on the road to becoming a major global manufacturing hub.

With 17% of the nation's GDP and over 27.3 million workers, the manufacturing sector plays a significant role in the Indian economy. Through the implementation of different programmes and policies, the Indian government hopes to have 25% of the economy's output come from manufacturing by 2025.

India now has the physical and digital infrastructure to raise the share of the manufacturing sector in the economy and make a realistic bid to be an important player in global supply chains.

The Company is involved primarily in segment of manufacturing and trading of non-ferrous metals although major part of the business is covered by aluminium products. Company's main products line

includes Aluminium Wire Rod, Aluminium Deox, Cored Wire, Aluminium Alloy Ingots, Ferro Titanium, Conductor & Cables and Inoculant. The Company is operating in multiple products of aluminium and this multiplicity of operations minimizes the operating eventualities. A considerably wide geographical presence and reach, both domestic and international, have helped the Company to attempt de-risking its business and meet the risks with suitable precaution. Your company is well positioned to capitalize on emerging opportunity due to significant competitive strength, acquired over the years.

## Opportunities

India is gradually progressing on the road to Industry 4.0 through the Government of India's initiatives like the National Manufacturing Policy which aims to increase the share of manufacturing in GDP to 25 percent by 2025 and the PLI scheme for manufacturing which was launched in 2022 to develop the core manufacturing sector at par with global manufacturing standards.

India is planning to offer incentives of up to Rs. 18,000 crore (US\$ 2.2 billion) to spur local manufacturing in six new sectors including chemicals, shipping containers, and inputs for vaccines. The manufacturing sector of India has the potential to reach US\$ 1 trillion by 2025-26.

India has potential to become a global manufacturing hub and by 2030, it can add more than US\$ 500 billion annually to the global economy.

In FY 2023-24, the Company delivered a resilient and strong performance, despite macroeconomic challenges, tough market conditions and global uncertainties. The Company has achieved sales of 27,513 metric tons worth ₹62,090 Lakhs. The Company has inbuilt production capacity of 71,000 metric tons per annum. Considering the installed capacity of 71,000 metric tons, the Company has

# MANAGEMENT DISCUSSION AND ANALYSIS REPORT

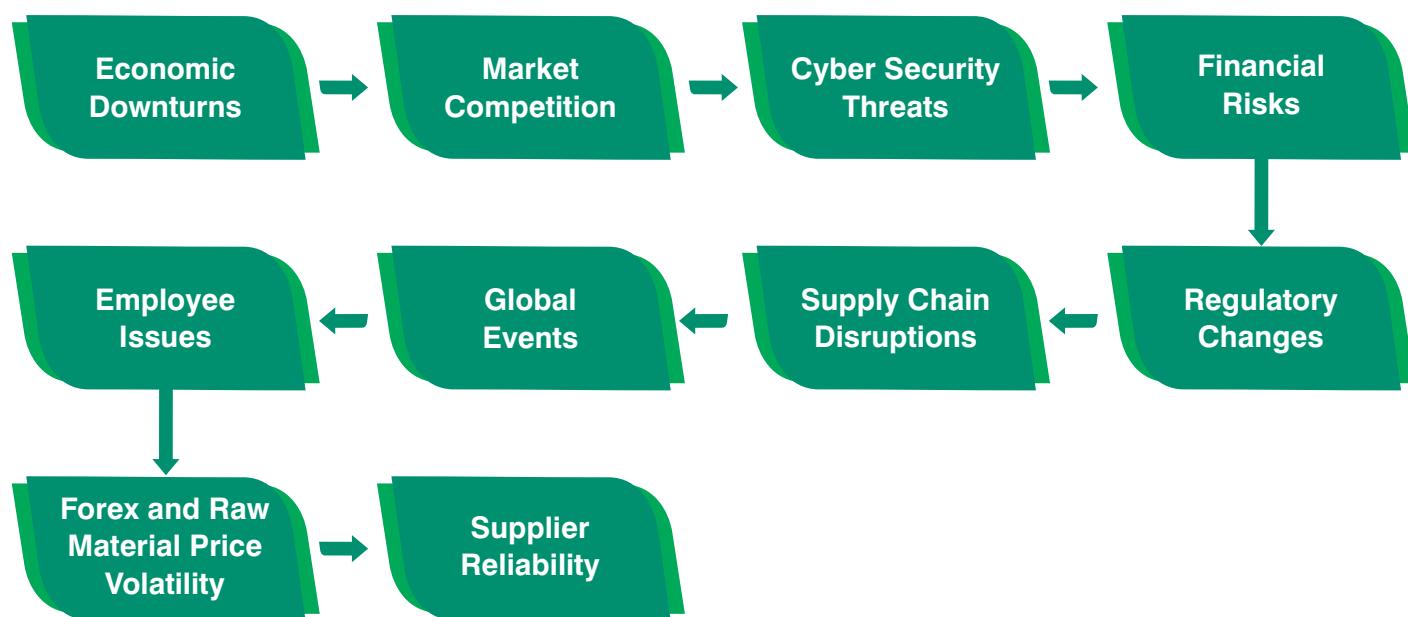
significant spare capacity to increase its production and sales level. Accordingly, the Company has geared-up its marketing and production activities. The Company has been able to achieve Gross Export Sales of ₹ 10,856 Lakhs during the financial year ended March 31, 2024. The performance was mainly driven by higher volumes and better product

mix, lower input costs, stability in operations and cost-saving actions.

Our business strategy prioritizes reaching our goals in a maximally responsible manner. We recognise the value of a diverse workforce. We remain committed to

## Threats

When you grab the opportunities based on your strength, you are bound to be accompanied by the risks and threats attached with them. The Company is exposed to the following type of risks.



These factors can be main drivers behind the pressure on the Company in terms of operation and profitability.

## Product / Plant Wise Performance

The Company is engaged only in one segment of manufacturing and trading of non-ferrous metal and does not have any other segment or activity. Hence segment wise reporting is not required to be given. Product / Plant wise performance is as follows:

### Aluminium Wire Rod

The Company has installed capacity of 15,000 metric tons per annum in the business of aluminium wire rod. The Company has sold 6,096 metric tons of

aluminium wire rod worth ₹14,633 Lakhs in compare to 5,445 metric tons worth ₹ 14,113 Lakhs during previous year 2022-23.

During the year the company has additionally produced 3,856 metric tons which is used for Job work and home consumption (used in Conductor and cables division). It reflects year on year increase in sales volume at the rate of 12% in terms of quantity and 4% in terms of sales amount. The Company expects aluminium wire rod product sales volume to increase by around 10% to 15% during FY25.



# MANAGEMENT DISCUSSION AND ANALYSIS REPORT

make an even bigger difference by reimagining and improving our work, investing in our people and welding a sustainable future.

## Aluminium Deox

The Company is having installed capacity of 20,000 metric tons per annum in aluminium deox. The sales during the financial year under report was 6,858 metric tons amounting to ₹ 14,321 Lakhs in compare to 5,855 metric tons worth ₹ 13,290 Lakhs during previous year 2022-23. It reflects year on year increase in sales volume at the rate of 17% in terms of quantity and increase of 8% in terms of sales amount. The Company expects to grow this business at 10% to 15% during FY24.

## Cored Wire

The Company is having cored wire plant with capacity of 3,500 metric tons per annum. The sales quantity during the financial year under report was 933 metric tons worth ₹ 5,015 Lakhs in compare to 1,259 metric tons of goods worth ₹ 5,814 Lakhs during previous financial year 2022-23. It reflects year on year decrease in sales volume at the rate of 26% in terms of quantity and 14% in terms of sales amount. The Company expects to grow this business by 5 to 8% during FY25.

## Aluminium Alloy Ingots

The Company is having installed capacity of 18,000 metric tons per annum of aluminium alloy plant. The sales during the financial year under report stood at 3,997 metric tons amounting to ₹ 8,476 Lakhs in compare to 6,919 metric tons of goods worth ₹ 14,833 Lakhs during previous financial year 2022-23.

## Conductor and Cables

The Company is having installed capacity of 12,000 metric tons per annum of conductor and cables plant. The sales during the financial year under report stood at 3,375 metric tons amounting to ₹ 9,068 Lakhs in compare to 2,128 metric tons of goods

worth ₹ 4,933 Lakhs during previous financial year 2022-23. It reflects year on year increase in sales volume at the rate of 59% in terms of quantity and 84% in terms of sales amount.

## Ferro Alloys

The Company is having installed capacity of 2,500 metric tons per annum of Ferro Alloys plant. The sales during the financial year under report stood at 871 metric tons amounting to ₹ 3,718 Lakhs in compare to 881 metric tons of goods worth ₹ 5,899 Lakhs during previous financial year 2022-23. The Company expects to grow this business also at 2 to 5% during FY25.

## Outlook

### Global Outlook

India's GDP/GVA growth is expected to moderate to 6.5%/6.2% in FY2025, amid subdued growth outcomes in H1 FY2025 on the back of continued weakness in rural demand, slowdown in Government capex during the election period, tepid external demand and diminishing benefits owing to the deflation in commodity prices. However, the pace of expansion in economic activity is expected to pick up in H2 Fy2025.

The average CPI inflation is forecasted to ease to 4.6% in FY2025 from the 5.3% estimated for FY2024, largely in line with the Monetary Policy Committee's (MPC) projections. The cooling is expected to be led by a softening in the food inflation based on the assumption of a normal and well-distributed monsoon, with any deviations on that account posing upside risks to our CPI inflation projections.

The upward revision in GDP growth estimates for FY2024, along with the MPC's expectations around the growth and inflation outlook for FY2025, reinforce our view of a likely shallow rate cut cycle. ICRA foresees a rate cut cycle limited to 50 bps at best, commencing in the October 2024 policy meeting, with a stance change in the preceding review, after some visibility on the monsoon turnout and greater



# MANAGEMENT DISCUSSION AND ANALYSIS REPORT

clarity on the US Fed's actions.

## Domestic Outlook

India took a big economic leap this leap year: The country ended fiscal year 2023 to 2024 with a big bang, surpassing all market estimates of GDP, with 8.15% year-over-year (YoY) growth. For three consecutive years, India's economy has exceeded growth expectations (averaging 8.3% annual growth over this period) despite global uncertainties, driven by strong domestic demand and continuous government efforts toward reforms and capital expenditure.

India's annual GDP growth to be between 7.0% and 7.2% in fiscal 2024 to 2025 and between 6.7% and 7.3% the following fiscal year as markets adapt to geopolitical uncertainties in their investment and consumption decisions. The global economy is anticipated to rebound synchronously in 2025, as major election uncertainties are resolved, and Western central banks possibly implement rate cuts as inflation concerns subside. India is likely to

experience improved capital flows, boosting private investment and exports. Inflation concerns remain, but we expect them to ease in the latter half of the next fiscal year, barring any surprises from rising oil or food prices.

## Business Highlights

Aluminium Wire Road and Aluminium Deox business has contributed significantly along with Cored Wire, Ferro Alloys, Inoculant and Conductor verticals during the year.

The salient points for the business overview of the Company during the financial year 2023-24 are as follows:

- Total net revenue from operations of ₹ 53,516 Lakhs in compare to ₹ 54,411 Lakhs during the previous financial year ended March 31, 2023.
- EBIDTA of ₹ 3,220 Lakhs
- EBIDTA Margins of 6.02% of Net Sales
- PAT of ₹ 822 Lakhs
- Basic and diluted earnings per equity share for the year was ₹ 0.52 per share



# MANAGEMENT DISCUSSION AND ANALYSIS REPORT

## Risks and Concerns

The Company recognizes that risk is an integral part of business and it is committed to manage the risks in a proactive and efficient manner. Risk evaluation and management is an ongoing process within the Organization. The state of external environment, including factors like interest rates, inflation, and growth in economic activity, rationalization of tax structure, job creation & retention of manpower and consumer sentiment continues to be the biggest source of threat as well as opportunity for the Company. Any slowdown in the economic activity in the Country, significant job losses or high rates of inflation can severely impact the consumption and therefore growth of the Company.

The Company's business is exposed to many internal and external risks and it has consequently put in place robust systems and processes along with appropriate review mechanism to actively monitor, manage and mitigate these risks. The Company takes a structured approach to the identification, quantification and hedging of such risks by developing comprehensive Risk Management Policy of the Company which is periodically reviewed by the management.

Risks classified as per Company's Risk Management Policy are:

- Strategic risk
- Operational risk

- Financial risk
- Hazardous risk

Other risks include employment risk, industry risk, raw material risk, regulatory risks, cyber security risk, economic uncertainty and price volatility resulting from demand uncertainty etc. Although the Board recognizes presence of these risks, but there are no risks which in the opinion of the Board threaten the existence of the Company.

## Internal Control Systems and its Adequacy

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations and are in line with requirements of the Companies Act, 2013. These are routinely tested and certified by Statutory as well as Internal Auditors and cover all offices, factories and key business areas. Significant audit observations and follow up actions thereon are reported to the Audit Committee.

The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's Risk Management Policies and Systems. The Audit Committee of the Board keeps a close eye on business operations and functioning of the internal audit function. The findings of the audit function are reviewed by the Committee

The Company's Internal Control System has been designed to provide for:

- A** • Compliance with applicable Statutes, Policies & Procedures, Rules & Regulations and delegated authority.
- B** • Adherence to applicable Accounting Standards and Policies.
- C** • Proper recording of transactions & timely reporting.
- D** • Effective use of resources and efficient operations.
- E** • Safeguarding of assets.

# MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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at regular intervals. Appropriate actions, as deemed necessary to ensure sustainability and future growth prospects of the Company, are taken in a timely fashion. The internal controls facilitate prompt detection and redressal of any deviations in business operations.

The Company has well designed policies, procedures & guidelines in place to ensure control of its different areas of business operations and reporting. This includes delegation of powers, various manuals, rules, policies and guidelines formulated by the Company from time to time. The approved policies, procedures & guidelines are effectively and responsibly being used while executing business of the Company. The Company has developed & implemented an Internal Financial Control framework duly approved by the Audit Committee which includes internally entity level policies / processes and operating level standard operating procedures primarily aiming at bringing awareness amongst the officials dealing with affairs of the Company so as to ensure adherence of the policies, procedures, guidelines designed and put in place for effective control. This provides the Directors with reasonable assurance regarding the adequacy and operating effectiveness of controls with regard to reporting, operational and compliance risks.

**“The Company has well established internal control procedures across all business verticals commensurate with the size and nature of operations.”**

Financial Statements are prepared in compliance with applicable Accounting Standards & on the basis of the Significant Accounting Policies as adopted by the Company and duly approved by the Audit Committee and the Board. These Policies apply uniformly across the Company. The Accounting Policies supported by standard operating procedures are reviewed and updated from time to time. The Company uses ERP Systems as a

business enabler and also to maintain its books of account. The Standard Operating Procedures and transactional controls built into the ERP Systems ensure proper recording, approval mechanisms and maintenance of records. The systems, standard operating procedures and controls are reviewed by the management from time to time.

During FY 2023-24, we assessed the effectiveness of the Internal Control over Financial Reporting and has determined that our Internal Control over Financial Reporting as at March 31, 2024, is effective.

## Financial Performance vis-à-vis Operational Performance

Details with respect to financial performance vis-à-vis operational performance are given at the end of this Management Discussion and Analysis Report.

## Human Relations / Industrial Relations

Our people are our best assets. Their caliber and commitment are our inherent strength. Manpower strength of the Company as on March 31, 2024 was 298 as against 310 at the last day of the previous financial year. People are at the centre of driving excellence at Arfin.

The HR policies are based on fair practices, which continually strive towards attracting, retaining, and developing the best talent required for the business to grow and accelerate the journey in the next normal scenario. All employees exhibit unparalleled commitment, competence and dedication towards this journey. The Company boasts of well-defined HR policies which take care of both personal and professional growth of its employees.

Culture is a key enabler to optimize potential, retain and also attract top talent to fuel performance within the organization. Policies nurture a culture that leads to alignment of employee goals with that of the Company. The HR initiatives strive to groom future leaders.



# MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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Acquiring diverse experiences, accomplishing challenging tasks and continually learning and upskilling is enabling them to deliver their best. By identifying, developing and nurturing quality talent at every stage of the employee lifecycle, we are empowering them to become future ready and build rewarding careers.

The Company ensures a safe, conducive and productive work environment for the employees through following steps:

- Providing workplace Health & Safety Training to workers
- Employee incentive programs

- Weekly review meeting, Knowledge sharing sessions and feedback system
- Wellness Initiatives, Fun Activities,

The Company focuses on four aspects of well-being – physical, Mental, Emotional and purposeful. A safe work environment is non-negotiable, for which the Company being a responsible corporate citizen always gives utmost importance to Safety, Occupational Health and Environment and is committed to maintain sustainable work environment across all its manufacturing units. The Company places high importance on the development of its human resources.



# MANAGEMENT DISCUSSION AND ANALYSIS REPORT

## Key Financial Ratios

The Company has identified the following ratios as its key financial Ratios:

Particulars	2023-24	2022-23
Debtors Turnover (Days)	28	33
Inventory Turnover (Days)	102	75
Interest Coverage Ratio (PBIT / Finance Cost)	1.52	1.76
Debt-Service Ratio (PBDIT / Finance Cost)	1.73	2.01
Cost of Goods Sold / Net Sales (%)	83.38	85.34
Current Ratio (Current Assets / Current Liabilities)	1.58	1.41
Debt Equity Ratio (x)	1.29	1.27
Operating Profit Margin (PBDIT / Net Sales)	6.02%	5.31%
Net Profit Margin (Net Profit / Net Sales)	1.54%	1.90%

## Return on Net Worth

The detail of return on net worth is given below:

Particulars	2023-24	2022-23
Return on Net Worth (Net Profit / Average Net Worth)	8.91%	12.58%

Return on Net worth (RONW) is a measure of profitability of a Company expressed in percentage. It is calculated by dividing Net profit by average capital employed during the year. Net profit has reduced from ₹ 1032 Lakhs to ₹ 822 Lakhs for the reasons of reduction in sales and operating profit.

## Cautionary Statement

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates and expectations which may be forward-looking statements. These statements are made within the meaning of applicable securities laws, and regulations are based on informed judgements and estimates. Past performance of the Company is not necessarily indicative of its future results, and actual results could materially differ from those

expressed or implied. Important factors that could make a difference to its operations may include but are not limited to economic conditions affecting demand / supply, price conditions in the domestic and international markets in which it operates, changes in Government regulations, tax laws and other statutes. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements based on any subsequent development, information or events.

Review of Financial Performance of the Company for the Period under Report



# REVIEW OF FINANCIAL PERFORMANCE OF THE COMPANY FOR THE PERIOD UNDER REPORT

## Sales

The Company has reported Net Income from Operations of ₹ 53,515 Lakhs during the year in compare to ₹ 54,411 Lakhs during the previous financial year 2022-23 registering year on year growth in volume of 11%. This growth was on account of increased volume, change in product mix, improved operational efficiencies and performance by the business.

## Profit Before Tax

Profit before Tax of the Company for financial year 2023-24 stood at ₹ 971.79 Lakhs as compared to ₹ 1,098 Lakhs during the previous financial year.

## Interest

Financial cost outflow has increased from ₹ 1,439 Lakhs during the previous year 2022-23 to ₹ 1,857 Lakhs in 2023-24. The interest and financial charges cover for financial year ended March 31, 2024 under review is 1.73 times as compared to 2.01 times in the previous financial year.

## Net Profit

Net profit for the financial year under report stood at ₹ 822 Lakhs as compared to ₹ 1,032 Lakhs in the previous financial year 2022-23.

## Dividend

The Board of Directors of the Company has decided not to recommend any dividend for the financial year ended March 31, 2024, to conserve profit for its future operations.

## Capital Employed

The capital employed in the business was increased by ₹ 2,040 Lakhs for financial year ended March 31, 2024. This is reflected in the liabilities side of the balance sheet through increase in shareholder's

fund by ₹ 827 Lakhs and increase in total borrowings by ₹ 1,212 Lakhs. Return on capital employed for the year was 15%.

## Surplus Management

The Company generated a cash profit of ₹ 1,362 Lakhs for the financial year ended March 31, 2024 as compared to ₹ 1,453 Lakhs during the previous financial year. The cash profit is ploughed back into the business to fund the growth. Growth of the Company has partly been funded by the cash generated from the business and partly by the additional funds borrowed.

## Equity Share Capital

As at March 31, 2024, the Company's issued, subscribed and paid-up equity share capital stood at 15,89,24,050 equity shares of ₹ 1/- each amounting to total paid up equity share capital of ₹ 15,89,24,050/-.

## Debt Equity

Debt equity ratio of the Company was 1.29 as at March 31, 2024 in compare to 1.27 as at March 31, 2023.

## Earnings Per Share

The Company's basic and diluted earnings per equity share for the financial year ended March 31, 2024 remains at ₹ 0.52 in compare to ₹ 0.65 for the previous year 2022-23.

## Cash Earnings Per Share

The Company's cash earnings per equity share during for the financial year ended March 31, 2024 stood at ₹ 0.76 in compare to ₹ 0.87 in the previous financial year 2022-23.



# NOTICE

**NOTICE** is hereby given that the **32<sup>nd</sup> Annual General Meeting of** the members of the Company, **Arfin India Limited** is scheduled to be held on **Saturday, September 14, 2024 at 11:30 a.m.(IST)** through Video Conferencing (VC) or Other Audio Visual Means (OAVM) to transact the following businesses:

## Ordinary Businesses

### 1. Adoption of Financial Statements

To receive, consider and adopt the audited financial statements of the Company for the financial year ended on March 31, 2024 and the Reports of the Board of Directors and Auditors thereon.

### 2. Appointment of Director(s) Retiring by Rotation

To appoint a Director in place of Mrs. Pushpa M. Shah (DIN: 00182754), who retires by rotation and being eligible, offers herself for re-appointment.

## Special Businesses

### 3. Reappointment of Mr. Jatin M. Shah (DIN: 00182683), Managing Director of the company and Revision in terms of his Remuneration

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

**RESOLVED THAT** pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) in accordance with provisions of the Articles of Association of the Company, pursuant to the recommendation of the Nomination and Remuneration Committee,

the Audit Committee and the Board of Directors of the Company and subject to such other approvals as may be required in this regard, approval of the members of the Company be and is hereby accorded for the re-appointment of Mr. Jatin M. Shah (DIN: 00182683) as Managing Director of the Company for a period of three (3) years with effect from 1st October, 2024 to 30th September, 2027, liable to retire by rotation and revision of the remuneration for the period of three (3) years w.e.f. 1st October, 2024 to 30th September, 2027 on the terms and conditions asset out in the explanatory statement annexed to the Notice.

**FURTHER RESOLVED THAT** the overall managerial remuneration payable to Mr. Jatin M. Shah shall be such amount as may be fixed by the Board from time to time on recommendation of the Nomination and Remuneration Committee but not exceeding ₹ 1 crore p.a (Rs. One Crore Only) at any point of time and that the terms and conditions of the aforesaid remuneration payable to the said Managing Director be varied/alterd/ revised within said overall limit, in such manner as may be required during aforesaid period of 3 (three) years.

**FURTHER RESOLVED THAT** the extent and scope of salary and perquisites of the Board of Directors of the Company be altered, enhanced, widened, or varied by the Board of Directors in accordance with the provisions of Companies Act, 2013 and other applicable provisions.

**FURTHER RESOLVED THAT** where in any Financial Year during the tenure of the said Managing Director, the Company has no profits or profits are inadequate, the aforesaid the remuneration comprising salary, perquisites and benefits as may be approved by the Board of Directors of the Company be paid as minimum remuneration.

**RESOLVED FURTHER THAT** consent of the members of the Company be and is hereby accorded to the Board to do and perform all such acts, deeds, matters and things, as may be necessary, including making the necessary filings and applications with the concerned statutory authorities, to settle any question or difficulty which may arise in regard thereto in such manner as it may deem expedient, to take all such decisions from powers herein conferred and delegate all or any of the powers herein conferred to any director, company secretary or any other officer/ authorized representative of the Company, in relation to the above resolution.”

**4. Reappointment of Mr. Mahendra R Shah (DIN: 00182746), Chairman & Whole-time Director of the company and Revision in terms of his Remuneration.**

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

**RESOLVED THAT** pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) in accordance with provisions of the Articles of Association of the Company, pursuant to the recommendation of the Nomination and Remuneration Committee, the Audit Committee and the Board of Directors of the Company and subject to such other approvals as may be required in this regard, approval of the members of the Company be and is hereby accorded for the re-appointment of Mr. Mahendra R Shah (DIN: 00182746) as Chairman & Whole-time Director of the company for a

period of three (3) years with effect from 1st October, 2024 to 30th September, 2027, liable to retire by rotation and revision of the remuneration for the period of three (3) years w.e.f. 1st October, 2024 to 30th September, 2027 on the terms and conditions as set out in the explanatory statement annexed to the Notice.

**FURTHER RESOLVED THAT** the overall managerial remuneration payable to Mr. Mahendra R Shah shall be such amount as may be fixed by the Board from time to time on recommendation of the Nomination and Remuneration Committee but not exceeding Rs 1 crore p.a (One crore Only) at any point of time and that the terms and conditions of the aforesaid remuneration payable to the said Chairman and Whole-Time Director be varied/altered/ revised within said overall limit, in such manner as may be required during aforesaid period of 3 (Three) years.

**RESOLVED FURTHER THAT** the extent and scope of salary and perquisites of the Board of Directors of the Company be altered, enhanced, widened, or varied by the Board of Directors in accordance with the provisions of Companies Act, 2013 and other applicable provisions.

**FURTHER RESOLVED THAT** where in any Financial Year during the tenure of the said Chairman and Wholetime Director, the Company has no profits or profits are inadequate, the aforesaid the remuneration comprising salary, perquisites and benefits as may be approved by the Board of Directors of the Company be paid as minimum remuneration.

**RESOLVED FURTHER THAT** consent of the members of the Company be and is hereby accorded to the Board to do and perform all such acts, deeds, matters and things, as may be necessary, including making the necessary filings and applications with the concerned

# NOTICE

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statutory authorities, to settle any question or difficulty which may arise in regard thereto in such manner as it may deem expedient, to take all such decisions from powers herein conferred and delegate all or any of the powers herein conferred to any director, company secretary or any other officer / authorized representative of the Company, in relation to the above resolution.”

## 5. Ratification of Remuneration Payable to Cost Auditors

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

**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if

any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 including any amendment, modification or variation thereof, the Company hereby ratifies the remuneration of ₹ 50,000 (Rupees Fifty Thousand Only) plus GST and out of pocket expenses payable to M/s. Ashish Bhavsar & Associates, Cost Accountants (FRN: 000387) who have been appointed by the Board of Directors as Cost Auditors of the Company, to conduct audit of cost records maintained by the Company as prescribed under the Companies (Cost Records and Audit) Rules 2014, for the financial year ending on March 31, 2025.

## Registered Office

Plot No.117, Ravi Industrial Estate,  
Behind Prestige Hotel, Billeshwarpura,  
Chhatral, Gandhinagar-382729  
Gujarat, India.  
CIN: L65990GJ1992PLC017460  
Tel. No.: +91 2764 232621  
Email: [investors@arfin.co.in](mailto:investors@arfin.co.in)  
Website: [www.arfin.co.in](http://www.arfin.co.in)

## For and on Behalf of Board of Directors

**Mahendra R. Shah**  
(Chairman)  
(DIN: 00182746)

Place: Chhatral  
Date: August 03, 2024



## NOTES

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1. An explanatory statement pursuant to Section 102 of the Companies Act, 2013 (the "Act"), setting out all material facts relating to the resolution for Item No. 2 to 5 in Notice are appended herein below for information and consideration of Members and the same should be considered as part of this Notice.
2. The Board of Directors of the Company, at its meeting held on August 03, 2024 has appointed Mr. Kamlesh M. Shah, proprietor of M/s. Kamlesh M. Shah & Co., Practicing Company Secretary, Ahmedabad (ICSI membership number: ACS 8356, certificate of practice number: 2072), who in the opinion of the Board is a duly qualified person as a scrutinizer to scrutinize the voting processes in a fair and transparent manner. The Scrutinizer shall submit his report of the votes cast in favor or against, if any, to the Chairman of the Company.
3. The Scrutinizer shall after the receipt of assent or dissent of the Members on or before Saturday, September 14, 2024 and after the completion of his Scrutiny, submit his report to the Chairman of the Company on or before September 17, 2024. The Result shall be announced by the Chairman of the Company on or before September 17, 2024 (within 2 working days of AGM) at the Company's website [www.arfin.co.in](http://www.arfin.co.in) and on the website of NSDL and shall also be communicated to the stock exchange. The resolutions will be taken as passed effectively on the date of AGM.
4. As the AGM is conducted through VC/OAVM, the facility to appoint Proxy by the members is not available for this AGM and hence the proxy form and attendance slip including route map are not annexed to this notice.
5. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [kshahcs@yahoo.co.in](mailto:kshahcs@yahoo.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) and [investor@arfin.co.in](mailto:investor@arfin.co.in). Institutional shareholders (i.e., other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
6. In the case of joint holders attending the meeting, only such joint holder who is high in the order of names will be entitled to vote at the meeting.
7. Members may also note that the Notice of AGM is available on the Company's website i.e., [www.arfin.co.in](http://www.arfin.co.in), on the website of the Stock Exchange i.e., BSE Limited at [www.bseindia.com](http://www.bseindia.com). All documents referred to in the accompanying Notice and Statement pursuant to Section 102(1) of the Act shall be open for inspection in electronic mode by the Members by writing an e-mail to the Company Secretary at [investors@arfin.co.in](mailto:investors@arfin.co.in).
8. As per the General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular No. 10/2021 dated June 21, 2021, General Circular No. 20/2021 dated December 8, 2021, General Circular No. 3/2022 dated May 5, 2022, General Circular No. 11/2022 dated December 28, 2022, and General Circular No. 09/2023 dated September 25, 2023 and any another circulars issued by ("the MCA Circulars") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020,

## NOTES

Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, Circular No. SEBI/HO/CFD/PoD2/P/CIR/2023/4 dated January 05, 2023 and Circular No. SEBI/HO/CFD/CFD PoD2/P/CIR/2023/167 dated October 07, 2023 and any other circulars issued by the Securities and Exchange Board of India (collectively referred to as “SEBI Circulars”) and pursuant to Section 101 of the Act read with relevant rules made thereunder, this AGM is being convened to be held through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), without the physical presence of the members at a common venue. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM. Notice of AGM is being sent only through electronic mode to those Members who have registered their email address either with the Company or with the Depository.

9. In compliance with provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI LODR Regulations, and other applicable laws, and General Circular No. 14/2020 and 17/2020 dated April 8, 2020, April 13, 2020 respectively and other circulars further issued, if any, respectively by the Ministry of Corporate Affairs, the company is pleased to offer e-voting facility to its Members holding Equity Shares as on Saturday, September 7, 2024, being the cut-off date, to exercise their right to vote electronically on the above resolutions.
10. This facility is arranged by the National Securities Depository Limited (“NSDL”). The instructions for e-voting are given in this Notice. E-voting will

commence on Wednesday, September 11, 2024 to Friday, September, 13, 2024. E-voting shall not be allowed beyond the said date and time.

11. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned below in Point THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING for Access to NSDL e-Voting system. After successful login, you can see link of “VC/OAVM link” placed under “Join General Meeting” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder / Member login, where the EVEN i.e. 129783 of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
12. During this period, Members holding shares either in physical form or in dematerialized form, as on Saturday, September 7, 2024 i.e. cut-off date, may cast their vote electronically. Those members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system during the AGM. Any recipient of the Notice, who has no voting rights as on cut-off date, shall treat this notice as information only. The voting rights of members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
13. As required by Rule 20 of the Companies (Management and Administration) Rules, 2014 read with the MCA Circulars and the SEBI LODR Regulations, the details about this Notice will be

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published in one English newspaper having a wide circulation in India (in the English language) and one vernacular newspaper having a wide circulation in Gujarat (in the Gujarati language).

14. Members seeking any information or clarification on any items mentioned in the Notice are requested to send written queries to the Company, at least 10 days before the date of the meeting mentioning their demat account number /folio number, name, email id, mobile number at [investors@arfin.co.in](mailto:investors@arfin.co.in) or [cs@arfin.co.in](mailto:cs@arfin.co.in) to enable the management to keep the required information available at the meeting.
15. The Members can join the AGM in the VC/OAVM mode 15 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 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 AGM without restriction on account of first come first served basis.
16. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and the Register of Contract or Arrangements in which directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the Members at the AGM. All documents referred to in the notice of AGM will also be available for electronic inspection without any fees by the members during the working hours on any working day, except Saturdays, Sundays and public holidays, between 10.00 a.m. to 4.00 p.m. till the date of AGM. Members seeking to inspect such documents can send an email to [investors@arfin.co.in](mailto:investors@arfin.co.in).
17. A person whose name is recorded in the Register of Members, or the Register of Beneficial Owners maintained by the depositories as on the cut-off date i.e., Saturday, September 7, 2024, only shall be entitled to avail of the facility of e-voting.
18. Securities of listed companies would be transferred in dematerialized form only w.e.f. April 1, 2019. Given the same, Members holding shares in physical form are requested to convert their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company's RTA for assistance in this regard. SEBI has mandated the submission of a Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the RTA of the Company.
19. To use natural resources responsibly, we request shareholders to update their e-mail addresses with their Depository Participants to enable the Company to send communications electronically.
20. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

### **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -**

In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as



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amended) and Regulation 44 of the SEBI LODR Regulations, and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021, December 14, 2021, May 05, 2022, December 28, 2022 and in terms of SEBI vide Circular no. SE SEBI/HO/CFD/CMD2 /CIR/P/2022/62 dated May 13, 2022 and other circular issued, if any in relation to e-Voting facility provided by listed entities, the members are provided with the facility to cast their vote electronically, through the e-Voting services provided by NSDL, on all the resolutions set forth in this Notice.

**The remote e-voting period begins on Wednesday, September 11, 2024 to at 09:00 a.m. and ends on Friday, September, 13, 2024 at 05:00 p.m. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Saturday, September 7, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion**

**to their share in the paid-up equity share capital of the Company as on the cut-off date, being Saturday, September 7, 2024.**

### **How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:





#### **Step 1: Access to NSDL e-Voting system**

#### **A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular 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.

**Login method for Individual shareholders holding securities in demat mode is given below:**

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “ <b>Beneficial Owner</b> ” icon under “ <b>Login</b> ” which is available under ‘ <b>IDeAS</b> ’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “ <b>Access to e-Voting</b> ” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to <b>e-Voting website of NSDL</b> for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
	<p>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>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 <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p><b>NSDL Mobile App is available on</b></p> <p>  App Store                 Google Play         </p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>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 Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</p> <p>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</p>

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Type of shareholders	Login Method
	<p>during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</p> <p>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.</p>
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. upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL 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. NSDL and CDSL.**

Login Type	Helpdesk Details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33



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### B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

#### How to Log-in to NSDL e-Voting website?

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is

available under ‘Shareholder/Member’ section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com> / with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

5. Your User ID details are given below :

Manner of Holding Shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company  For example if folio number is 001*** and EVEN is 129783 then user ID is 129783001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to

change your password.

c) How to retrieve your ‘initial password’?

- (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your

8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details / Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN i.e. 129783" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN i.e. 129783" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [kshahcs@yahoo.co.in](mailto:kshahcs@yahoo.co.in) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of

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Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on.: 022 - 4886 7000 or send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com).

### **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

In case shares are held in physical mode please provide 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 [investor@arfin.co.in](mailto:investor@arfin.co.in). Members may write to RTA of the Company on the email id [mcsstaahmd@gmail.com](mailto:mcsstaahmd@gmail.com).

1. In case shares are held in physical mode please provide 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 [investors@arfin.co.in](mailto:investors@arfin.co.in)

In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16

digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [investor@arfin.co.in](mailto:investor@arfin.co.in). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

2. Alternatively shareholder/members may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) for procuring user id and password for e-voting by providing above mentioned documents.
3. In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

### **THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER: -**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM 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 in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.



## NOTES

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4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

### **INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM AREAS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder / Member login where the EVEN i.e. 129783 of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [investors@arfin.co.in](mailto:investors@arfin.co.in). The same will be replied by the company suitably.
6. Members who would like to express their views/ask questions during the AGM may use chat facility to raise question to moderator. The moderator then will ask one by one questions during the meeting. Shareholders who would like to express their views/ ask questions during the meeting may register themselves as speaker shareholder will only be allowed to express their views/ ask questions during the meeting. Shareholders who would like to express their view/ ask question during the meeting may register themselves as speaker shareholders and may send their request mentioning name, mobile number, folio number, email id at [investors@arfin.co.in](mailto:investors@arfin.co.in) on/before September 4, 2024, 05:00 p.m. (IST). Shareholders who have registered themselves as speaker shareholders will only be allowed to express their views/ask questions during the meeting.
7. The company reserves the right to restrict the number of questions and number of speakers as appropriate for the smooth proceeding of the AGM.
  - I. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of Saturday, September 7, 2024.
  - II. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Saturday, September 7, 2024, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or RTA (MCS Share Transfer Agent Limited) at [mcsstaahmd@gmail.com](mailto:mcsstaahmd@gmail.com). However, if he / she is already registered with NSDL for remote e-Voting

## NOTES

then he /she can use his / her existing User ID and password for casting the vote.

- III. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM.
- IV. Mr. Kamlesh M. Shah, proprietor of M/s. Kamlesh M. Shah & Co., Practicing Company Secretary, Ahmedabad (ICSI membership number: ACS 8356, certificate of practice number: 2072) has been appointed as Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- V. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting. Only those members / shareholders, who will be present in the AGM 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 in the AGM. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM. shall be the same person mentioned for Remote e-Voting
- VI. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-

voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

- VII The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.arfin.co.in](http://www.arfin.co.in), on the website of Stock Exchange i.e. BSE Limited and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing.

### GENERAL INFORMATION: -

1. Members are requested to note that pursuant to the provisions of Section 124 of the Companies Act, 2013, the amount of dividend unclaimed or unpaid for a period of 7 years from the date of transfer to Unpaid Dividend Account, shall be transferred to the Investor Education & Protection Fund (IEPF) set up by Government of India and no claim shall lie against the Company after the transfer of Unpaid or Unclaimed Dividend amount to the Government.
2. The balance lying in the unpaid / unclaimed dividend account of the Company in respect of dividend declared for the financial year 2015-16 is transferred to the Investor Education and Protection Fund.

The following are the details of dividend paid by the Company and their respective due dates of transfer to such fund of the Central Government, which remains unpaid:

## NOTES

The following are the details of dividend paid by the Company and their respective due dates of transfer to such fund of the Central Government, which remains unpaid:

Sr. No.	Financial Year	Type of Dividend	Unclaimed / Unpaid Dividend (₹)	Corresponding Equity Shares	Due Date of Transfer
1	2016-17	Final Dividend	1,22,960	61,480	17/10/2024
2	2017-18	Final Dividend	2,16,130	1,08,065	31/10/2025

The members are also requested to note that all shares on which dividend remains unclaimed for seven consecutive years or more shall be transferred to the IEPF account in compliance with Section 124 of the Companies Act, 2013 and the applicable Rules. In view of this, members are requested to claim their dividends from the Company, within the stipulated timeline. The members, whose unclaimed dividends have been transferred to IEPF, may claim the same by making an application to the IEPF Authority after complying with the procedure prescribed under the IEPF Rules.

- The relevant details, pursuant to Regulation 26(4) and 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 in respect of the directors seeking Re-appointment at the AGM, forms integral part of the Notice. Other details as required under Secretarial Standard – 2 are included in the Corporate Governance Report, which forms part of the Annual Report. The directors have furnished the requisite consents / declarations for their Re-appointment.
- Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD/RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal / exchange of securities certificate; endorsement; sub-division / splitting of securities certificate; consolidation of securities certificates / folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the website of the Company's Registrar and Transfer Agents, MCS Share Transfer Agent Limited at <https://www.mcsregistrars.com/>. It may be noted that any service request can be processed only after the folio is KYC Compliant.
- SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.
- Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone / mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, etc., to their DPs if the shares are held by them in electronic form and to the RTA of the Company on the email id [mcsstaahmd@gmail.com](mailto:mcsstaahmd@gmail.com), if the shares are held by them in physical form.



## NOTES

7. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit these details to their DP in case the shares are held by them in electronic form and to the RTA "MCS Share Transfer Agent Limited at [mcsstaahmd@gmail.com](mailto:mcsstaahmd@gmail.com) in case the shares are held in physical form.
8. The Company has appointed Mr. Kamlesh M. Shah, proprietor of M/s. Kamlesh M. Shah & Co., Practicing Company Secretary, Ahmedabad (ICSI membership number: ACS 8356, certificate of practice number: 2072), who in the opinion of the Board is a duly qualified person as a scrutinizer to scrutinize the voting processes in a fair and transparent manner.
9. The scrutinizer shall, immediately after the conclusion of voting at the annual general meeting, count votes cast at the meeting, thereafter unblock votes cast through remote e-Voting in presence of at least two witnesses not in employment of the Company and present a consolidated scrutinizers' report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in

writing who shall countersign the same.

10. The results declared along with the scrutinizer's report shall be placed on the Company's website [www.arfin.co.in](http://www.arfin.co.in) and on the website of NSDL and shall be communicated to the stock exchange within the time prescribed by the law.
11. The resolution shall be deemed to be passed on the date of the annual general meeting, subject to the same being with requisite majority.

### PROCEDURE FOR INSPECTION OF DOCUMENTS

All the documents referred to in the accompanying Notice and Explanatory Statements, shall be available for inspection through electronic mode, for which the request required to be sent on and before September 4, 2024.

The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to September 4, 2024. Members seeking to inspect such documents can send an email to [investors@arfin.co.in](mailto:investors@arfin.co.in).

### Registered Office

Plot No.117, Ravi Industrial Estate,  
Behind Prestige Hotel, Billeshwarpura,  
Chhatral, Gandhinagar-382729  
Gujarat, India.  
CIN: L65990GJ1992PLC017460  
Tel. No.: +91 2764 232621  
Email: [investors@arfin.co.in](mailto:investors@arfin.co.in)  
Website: [www.arfin.co.in](http://www.arfin.co.in)

### For and on behalf of Board of Directors

**Mahendra R. Shah**  
(Chairman)  
(DIN: 00182746)

Place: Chhatral  
Date: August 03, 2024

# Explanatory Statement

The following Explanatory Statement sets out the relevant information as required by Section 102 of the Companies Act, 2013 (“the Act”) read with rules framed thereunder and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the “SEBI LODR Regulations”) and the Secretarial Standards on General Meetings) as may be amended, modified, replaced, substituted, re-stated and/or re-issued from time to time in respect of items given in the Notice that require approval of the Members.

## Item No. 2

**Mrs. Pushpa M. Shah** (DIN: 00182754), Executive Director aged 59 years, born on 15.12.1964 falls under the category of promoters of the Company and is a graduate from the Maharashtra University. She is having expertise in the functional areas of the business and she is also having sound knowledge of practical aspects of business and her experience of around 18 years in the industry adds significant value to her profile.

Disclosure of Relationships between Directors Inter-se

Mrs. Pushpa M. Shah is related to Mr. Jatin M. Shah as their mother and Mr. Mahendra R. Shah as being their spouse.

Details of other Directorships, Membership / Chairmanships of Committees of other Board as on March 31, 2024

- i. Directorships: Nil
- ii. Membership / Chairmanships of Committee(s) of other Board: Nil  
(Only Statutory Committees of Board of Directors have been taken into consideration)
- iii. Shareholding in the Company as on March 31, 2024: 2,16,01,100 equity shares of ₹ 1/- (rupees one only) each representing 13.59% of total share capital of the Company.

No. of Board Meetings Attended during the Financial Year 2023-2024:

Mrs. Pushpa M. Shah has attended all the 9 board meetings held during the financial year 2023-2024, more details on which have been provided in the corporate governance report forming part of this

annual report.

Re-appointment of Mrs. Pushpa M. Shah is also being proposed in accordance with the provisions of Section 152(6) of the Companies Act, 2013 i.e. appointment of director(s) in place of director(s) retiring by rotation and accordingly being eligible, Mrs. Pushpa M. Shah offers herself for re-appointment.

The board recommends the shareholders to approve re-appointment of Mrs. Pushpa M. Shah as a director of the company in terms of provisions of Section 152(6) of the Companies Act, 2013.

The resolutions as set out at Item No.2 of this Notice are accordingly recommended for your approval.

## Item No. 3

**Mr. Jatin M. Shah** (DIN: 00182683), Managing Director, Mr. Jatin M. Shah aged about 40 years, born on December 09, 1983 is a commerce graduate from the Gujarat University. Mr. Shah is Managing Director of the Company appointed w.e.f. June 12, 2012. He has over 21 years of rich industrial experience in metal business. Mr. Shah has a rich knowledge of Indian Metal Industry with good understanding of Manufacturing, Sales, Imports, Export, International Markets, and proven his ability in Business, Setting up Systems and Procedures for Robust Growth. He has been the innovator and envisioner of the Company. His contribution has been immense for the growth and development of the Company. Accordingly based on the recommendation of Nomination & Remuneration Committee, Audit Committee, the Board of Directors at its meeting held on August 03, 2024 subject to the approval of the shareholders, on expiry of his current term of

## Explanatory Statement

appointment, has approved the re-appointed Mr. Jatin M. Shah (DIN: 00182683) as Managing Director of the Company w.e.f. 1st October, 2024 to 30th September, 2027, liable to retire by rotation and revision of the remuneration for the period of three (3) years w.e.f. 1<sup>st</sup> October, 2024 to 30th September, 2027 on the terms set out in below annexures.

Pursuant to Section 197 read with Schedule V of the Companies Act, 2013, the Members are requested to consider the revision in remuneration of Mr. Jatin M. Shah, Managing Director of the Company at their meeting.

Pursuant to Clause (iv) of Section II of Schedule V of Companies Act, 2013 the following Statement is given as Annexure B.

Except Mr. Jatin M. Shah (the appointee), Mr. Mahendra R. Shah and Mrs. Pushpa M. Shah (relative of the appointee), and their relatives, none of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise in Resolution No. 3.

Information about Mr. Jatin M. Shah, in accordance with SEBI Regulations is annexed to the Notice as Annexure A along with additional detailed information as per Schedule V is annexed to the Notice as Annexure B.

The resolutions as set out at Item No. 3 of this Notice are accordingly recommended for your approval.

### Item No. 4

The guidance and contribution of **Mr. Mahendra R Shah** (DIN: 00182746), Chairman & Whole-time Director has been bedrock upon which the plans and market offering of the company are developed.

In his over 31 years of industry experience, he has handled diverse portfolios like capital market textile and sugar business prior to entering into the metal business. He has also represented metal industry on various topics of public interest in different forums.

He has strong domain knowledge of Indian metal industry with good understanding of manufacturing, sales, imports, exports, international markets and proven ability in business, setting up systems and procedures for robust growth. Mr. Mahendra R. Shah had received an honour of being appointed as Chairman of Gujarat Chapter of non-ferrous metals by the "ALL INDIA MSME ASSOCIATION". Therefore based on the recommendation of Nomination & Remuneration Committee, Audit committee, the Board of Directors at its meeting held on August 03, 2024 subject to the approval of the shareholders, on expiry of his current term of appointment, approves re-appointment of Mr. Mahendra R Shah (DIN: 00182746) as Chairman & Whole-time Director of the Company w.e.f. 1st October, 2024 to 30th September, 2027, liable to retire by rotation and revision of the remuneration for the period of three (3) years w.e.f. 1st October, 2024 to 30th September, 2027 on the terms set out in below annexures.

Pursuant to Section 197 read with Schedule V of the Companies Act, 2013, the Members are requested to consider the revision in remuneration of Mr. Mahendra R. Shah, Chairman & Whole-time Director of the Company at their meeting.

Pursuant to Clause (iv) of Section II of Schedule V of Companies Act, 2013 the following Statement is given as Annexure B.

Except Mr. Mahendra R Shah (the appointee), Mr. Jatin M. Shah and Mrs. Pushpa M. Shah (relative of the appointee), and their relatives, none of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise in Resolution No.4.

Information about Mr. Mahendra R Shah, in accordance with in accordance with SEBI Regulations is annexed to the Notice as Annexure A along with additional detailed information as per



## Explanatory Statement

Schedule V is annexed to the Notice as Annexure B.

The resolutions as set out at Item No. 4 of this Notice are accordingly recommended for your approval.

### In Respect of Item No. 5

The Board, on the recommendation of the Audit Committee, has approved the re-appointment and remuneration of M/s. Ashish Bhavsar & Associates, Cost Accountants, Ahmedabad, (FRN.: 000387) as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending on March 31, 2025. In accordance with the provisions of Section 148(3) of the Companies Act,

2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be subsequently ratified by the members of the Company. Accordingly, consent of the members is sought for passing an ordinary resolution as set out in this item of the notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending on March 31, 2025.

None of the directors and key managerial personnel of the Company and their relatives is concerned or interested, financially or otherwise, in this resolution. The Board of Directors recommends the resolution for members' approval.

### ANNEXURE A TO AGM NOTICE (FOR AGENDA ITEM 2 TO 4):

Information about directors seeking appointment / reappointment in this Annual General Meeting in compliance with SEBI LODR and the Secretarial Standard on General Meetings (SS- 2):

Name of the Director	Pushpa M Shah	Jatin M Shah	Mahendra R Shah
Father's Name	Ghevarchand Srisimal	Mahendra R. Shah	Rikhavchand Shah
DIN	00182754	00182683	00182746
Date of Birth	15.12.1964	09.12.1983	09.03.1963
Nationality	Indian	Indian	Indian
Resignation (from listed companies in last three years)	NA	NA	NA
Age	59 Years	40 years	60 years
Educational Qualification	Commerce graduate	Commerce graduate	Science graduate
Brief profile/ Experience/ Expertise	She is having expertise in the functional areas of the business and she is also having sound knowledge of practical aspects of business and her experience of around 18 years in the industry adds significant value to her profile.	He has over 21 years of rich industrial experience in metal business. Mr. Shah has a rich knowledge of Indian Metal Industry with good understanding of Manufacturing, Sales, Imports, Export, International Markets, and proven his ability in Business, Setting up Systems and Procedures for Robust Growth. He has been the innovator and envisioner of the Company.	He has over 31 years of rich industrial experience in metal business. Mr. Shah is also actively involved in corporate finance, strategic planning, corporate governance, business management and process implementation at Arfin.

## Explanatory Statement

		His contribution has been immense for the growth and development of the Company.	
Nature of his expertise in specific functional area	Rich knowledge of Indian Metal Industry with good understanding of Manufacturing, Sales, Imports, Export, International Markets.	Manufacturing, Sales, Imports, Export, International Markets, Management & overall business Execution.	Corporate finance, strategic planning, corporate governance, business management and process implementation.
Terms and conditions of appointment/reappointment or re designation	Re-appointment of Mrs. Pushpa M. Shah is also being proposed in accordance with the provisions of Section 152(6) of the Companies Act, 2013 i.e. appointment of director(s) in place of director(s) retiring by rotation and accordingly being eligible, Mrs. Pushpa M. Shah offers herself for re-appointment. The board recommends the shareholders to approve re-appointment of Mrs. Pushpa M. Shah as a director of the company in terms of provisions of Section 152(6) of the Companies Act, 2013.	Upon recommendation of Nomination & Remuneration Committee, the Board appointed Mr. Jatin M. Shah as Managing Director for a period of three (3) years with effect from 1st October, 2024 to 30th September, 2027 subject to the approval of shareholders at the ensuing Annual General Meeting.	Upon recommendation of Nomination & Remuneration Committee, the Board appointed Mr. Mahendra R. Shah as Chairman & Wholetime Director for a period of three (3) years with effect from 1st October, 2024 to 30th September, 2027 subject to the approval of shareholders at the ensuing Annual General Meeting.
Last drawn remuneration (from 01.04.2023 to 31.03.2024)	Rs 30,00,000	Rs 75,00,000	Rs 75,00,000
Date of 1st Appointment on the Board	November 5, 2015	June 12, 2012.	September 30, 1998
Number of Meetings of the Board attended during the year 2023-24	9	9	9
No. of share held as on date	2,16,01,100 shares	3,16,57,530 shares	2,89,11,780 shares
Relationship with other directors, manager & KMP	Mrs. Pushpa M. Shah is related to Mr. Jatin M. Shah as their mother and Mr. Mahendra R. Shah as being	Mr. Jatin M. Shah is related to Mr. Mahendra R. Shah and Mrs. Pushpa M. Shah as being their son.	Mr. Mahendra R. Shah is related to Mr. Jatin M. Shah as their father and Mrs. Pushpa M.

## Explanatory Statement

	their spouse.		Shah as being their spouse.
Other Directorships	Nil	Director in Krish FerroIndustries Private Limited	Director in Krish Ferro IndustriesPrivate Limited
Committee Memberships in other Companies (Includes only Audit Committee and Stakeholders Relationship Committee)	Nil  (Only Statutory Committees of Board ofDirectors have been takeninto consideration)	Nil  (Only Statutory Committees of Board ofDirectors have been takeninto consideration)	Nil  (Only Statutory Committees of Board ofDirectors have been takeninto consideration)
Information as required pursuant to BSE circular ref no. LIST/ COMP/ 14/ 2018-19and the National Stock Exchange of India Limited with ref no. NSE/CML/2018/24,dated June 20, 2018	Not debarred from holding the office of director pursuant to any SEBI order or any such authority.	Not debarred from holding the office of director pursuant to any SEBI order or any such authority.	Not debarred from holding the office of director pursuant to any SEBI order or any such authority.

### ANNEXURE B TO AGM NOTICE (FOR AGENDA ITEM 3 & 4

The additional detailed information as per Section – II of Schedule V for agenda item 3 to 4 isannexed to the Notice:

#### I. General Information:

Nature of Industry	Manufacturing and trading of nonferrous metals.		
Date or expected date of commencement of commercial production.	Company is already in operation.		
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	N.A.		
Financial performance based on given indicators.	(Rs. In lakhs)		
	Particulars	31.03.2024	31.03.2023
	Revenue from operations (net)	53,515.59	54,411.22
	Earnings before interest, tax, depreciation and amortization (EBITDA) and prior period adjustments	3,219.74	2,891.93
	Depreciation and amortization expenses	390.53	355.14
	Finance Cost	1,857.42	1,438.64
	Profit before tax (PBT)	971.79	1,098.15
	Profit after tax and minority interest (PAT)	822.04	1,031.68
Foreign investments or collaborators, if any	NA		



# Explanatory Statement

## II. Information about the appointee:

Name of Appointee	Jatin M Shah	Mahendra R Shah
Background details	He has over 21 years of rich industrial experience in metal business. Mr. Shah has a rich knowledge of Indian Metal Industry with good understanding of Manufacturing, Sales, Imports, Export, International Markets, and proven his ability in Business, Setting up Systems and Procedures for Robust Growth.	He has over 31 years of rich industrial experience in metal business. Mr. Shah is also actively involved in corporate finance, strategic planning, corporate governance, business management and process implementation at Arfin.
Past drawn remuneration	Rs 75,00,000	Rs 75,00,000
Recognition and Awards	Mr. Jatin M. Shah had also received an honor of being appointed as Chairman of Gujarat Chapter of auto die casting components by the "ALL INDIA MSME ASSOCIATION".	Mr. Mahendra R. Shah is a promoter director aged about 60 years, holds a graduate degree in science. Presently he is Chairman and Wholetime Director of Arfin India Limited. In his over 31 years of industry experience, he has handled diverse portfolios like capital markets, textile and sugar business prior to entering into the metal business. He has also represented metal industry on various topics of public interest in different forums. He has strong domain knowledge of Indian metal industry with good understanding of manufacturing, sales, imports, exports, international markets and proven ability in business, setting up systems and procedures for robust growth. Mr. Mahendra R. Shah.
Job profile and his suitability	Requires policy planning, vision, strategy and long-term development activities along with strong knowledge and experience in aluminum Industry, exposure in management skills, marketing expertise which Mr. Jatin Shah possesses.	Corporate finance, strategic planning, corporate governance, business management and process implementation.
Remuneration proposed	Not exceeding Rs 1 crore p.a	Not exceeding Rs 1 crore p.a
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	Considering the responsibility shouldered by him of the enhanced business activities of the Company, proposed remuneration is commensurate with Industry standards and Board level positions held in similar sized and similarly positioned businesses.	The remuneration proposed is reasonable in the context of operations & complexity of business of the Company and commensurate with the similar industry, operating in India and the profile of the position.

# Explanatory Statement

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## II. Information about the appointee:

Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Mr. Jatin M. Shah is related to Mr. Mahendra R. Shah and Mrs. Pushpa M. Shah as being their son.	Mr. Mahendra R. Shah is related to Mr. Jatin M. Shah as their father and Mrs. Pushpa M. Shah as being their spouse.
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## III. Disclosure w.r.t agenda item 3 & 4:

The Company has not committed any default in payment of dues to any bank or public financial institution or non - convertible debenture holders or any other secured creditor.

# DIRECTORS' REPORT

## Dear Members,

Your Directors have pleasure in presenting the 32<sup>nd</sup> Annual Report on the Businesses and Operations of the Company together with Audited Accounts for the financial year ended on March 31, 2024.

### 1. Financial Summary

₹ In Lakhs

Particulars	2023-24	2022-23	YoY Growth (%)
Revenue From Operations	53,515.59	54,411.22	(1.65%)
Other Income	199.15	248.34	(19.81%)
Total Income	53,714.74	54,659.56	(1.73%)
Total Expenses	52,742.95	53,561.41	(1.53%)
Profit / (Loss) Before Tax	971.79	1,098.15	(11.51%)
Provisions for Income Tax Including Deferred Tax	(149.75)	(66.47)	
Profit / (Loss) After Tax	822.04	1,031.68	(20.32%)
Other Comprehensive Income	5.38	12.35	(56.44%)
Total Comprehensive Income for the Period	827.42	1,044.03	(20.75%)
Earnings Per Equity Share			
Basic	0.52	0.65	-
Diluted	0.52	0.65	-
Proposed Dividend	-	-	-
Transfer to General Reserves	-	-	-
Profit Carried to Balance Sheet	822.04	1,031.68	-
Accumulated Balance of Profit	4,892.72	4,070.23	-

### Financial Highlights and State of Company's Affairs

The revenue from operation for the financial year 2023-24 stands at ₹ 53,515.59 Lakhs as compared to ₹ 54,411.22 Lakhs for previous financial year 2022-23. Total net profit for the financial year 2023-24 stood at ₹ 822 Lakhs in compare to ₹ 1,032 Lakhs for the previous financial year 2022-23.

### 2. Transfer to Reserve

The closing balance of the retained earnings of the Company for FY 2023-2024, after all appropriation and adjustments was ₹ 4,892.72 Lakhs. The Board of Directors of the Company has not proposed any amount to be transferred to the General Reserve.

### 3. Dividend

In order to conserve the profits for future operations, the Board of Directors of the

Company has decided not to recommend any final dividend on equity shares for the financial year ended on March 31, 2024.

### 4. Listing on Stock Exchanges

As on March 31, 2024, the equity shares of the Company were listed on BSE Limited. The Company has paid the annual listing fees for the financial year ending on March 31, 2024 within time.

### 5. Details in Respect of Adequacy of Internal Financial Control with Reference to the Financial Statements and Audit

The Company has designed and implemented process driven framework for internal financial controls within the meaning of explanation to Section 134(5)(e) of the Act.

For the year ended on March 31, 2024, the Board is of the opinion that the Company has adequate

internal control systems commensurate with the size, scale and complexity of its business operations. The internal control systems comprising of policies and procedures are designed to ensure sound management of your Company's operations, safe keeping of its assets, optimal utilization of resources, reliability of its financial information and compliances. The internal financial control operates effectively and no material weakness exists. The Company has a process in place to continuously monitor the same and identify gaps, if any, and implement new and / or improved internal controls whenever the effect of such gaps would have a material effect on the Company's operations.

The Board of Directors at the recommendations of the Audit Committee appointed Mr. Anant Patel, Cost Accountant, as Internal Auditor of the Company for the financial year 2024-25. Other details in respect of internal financial control and their adequacy are included in the Management Discussion and Analysis, which is a part of this report.

## **6. Details of Subsidiary / Joint Venture / Associate Companies**

The Company doesn't have any subsidiary, joint venture or associate Company. Group Companies to the Arfin India Limited includes Krish Ferro Industries Private Limited.

## **7. Material Changes, Transactions and Commitment, if any, affecting the Financial Position of the Company**

There are no material changes and commitments, affecting the financial position of the Company which has occurred between the closure of financial year on March 31, 2024 to which the financial statements relate and on the date of this report.

## **8. Significant and Material Orders passed by the Regulators or Courts**

There have been no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations. However, members' attention is drawn to the statement on contingent liabilities, commitments in the notes forming part of the financial statements under note no. 35.

## **9. Deposits**

During the financial year under report, your Company has not accepted any deposits within the meaning of Sections 73 and 74 of the Companies Act, 2013, and the Companies (Acceptance of Deposits) Rules, 2014, as amended, nor did it have any amount of deposits carried forward from the previous financial year.

## **10. Statutory Auditors**

M/s. Raman M. Jain & Co., Chartered Accountants, Ahmedabad (FRN: 113290W) who has been appointed as Statutory Auditors of the Company to hold the office for a term of five years from the conclusion of the 30th Annual General Meeting held on September 24, 2022 until the conclusion of the 35th annual general meeting of the Company has conducted the audit for financial year 2023-2024.

The Auditors' Report issued by M/s. Raman M. Jain & Co., for the financial year ended on March 31, 2024 forms part of this annual report and there is no qualification, reservation, adverse remark or disclaimer given by the Statutory Auditors in their report.

## **11. Compliance with Secretarial Standards**

The Company complies with all applicable mandatory secretarial standard issued by the Institute of Company Secretaries of India (ICSI).



## 12. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of your Company has re-appointed M/s. Kamlesh M. Shah & Co., Practicing Company Secretary, Ahmedabad as Secretarial Auditors to conduct an audit of secretarial records and compliances of the Company, for the financial year ended on March 31, 2024.

The Secretarial Audit Report for the financial year ended on March 31, 2024 is annexed herewith as **Annexure – 4** and the same is unmodified i.e. does not contain any qualification, reservation, adverse remark or disclaimer.

## 13. Reporting of Frauds by Auditors

During the year under report, neither the Statutory Auditors nor the Secretarial Auditors have reported to the Audit Committee, under Section 143(12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees.

## 14. Cost Auditors

M/s. Ashish Bhavsar & Associates, Cost Accountant (FRN: 000387) who were appointed as the Cost Auditor has conducted cost Audit of cost records of the Company for the financial year 2023-24 and were also reappointed for financial year 2024-25.

M/s. Ashish Bhavsar & Associates, have confirmed that their appointment is within the limits of Section 141(3)(g) of the Companies Act, 2013 and have also certified that they are free from any disqualifications specified under Section 141(3) and proviso to Section 148(3) read with Section 141(4) of the Companies Act, 2013. The Audit Committee has also received a certificate from Cost Auditors certifying their

independence and arm's length relationship with the Company.

As per the provisions of the Companies Act, 2013, the remuneration payable to Cost Auditor is placed before the members in a general meeting for seeking their approval for the ratification of the remuneration payable to M/s. Ashish Bhavsar & Associates, Cost Auditor is included in the notice convening the ensuing annual general meeting.

## 15. Share Capital

During the financial year under report, the Company has not issued any further share capital. The Issued Capital was 15,89,24,050 equity shares of face value of ₹ 1/each. Pursuant to approval of the members through Evoting at ExtraOrdinary General Meeting held on April 11, 2024, 97,98,432 equity shares on a preferential basis were allotted to JFE Shoji India Private Limited.

Post allotment of equity shares to JFE Shoji India Private Limited the Issued Capital of the company stood at 16,87,483 equity shares of face value of ₹ 1/each. \*

# DIRECTORS' REPORT

The detail of the capital structure of the Company is tabulated as below:

Event Date	Particulars	Authorised Share Capital		Issued, Subscribed and Paid-up Share Capital	
		No. of Equity Shares	Amount in ₹	No. of Equity Shares	Amount in ₹
April 1, 2023	Share Capital at the Beginning of the Financial Year	31,50,00,000	31,50,00,000	15,89,24,050	15,89,24,050
	Changes During the Year	NA	NA	NA	NA
March 31, 2024	Resultant Share Capital / Capital at the End of the Financial Year	31,50,00,000	31,50,00,000	15,89,24,050	15,89,24,050

*\*97,98,432 equity shares were allotted to JFE Shoji India Private Limited after 31 March, 2024. The date of Allotment of 97,98,432 equity shares via preferential allotment was April 16, 2024 (lock-in till 30 November, 2024). As the shares were allotted after March 31, 2024 (i.e. the event after balance sheet date) the impact of the same has not been given in the above tabular format.*

## 16. Joint Venture/ Strategic Partnership during the year

During the financial year 2023-2024 Share Subscription Agreement ("SSA") and Shareholders' Agreement ("SHA") was executed amongst the Company, JFE Shoji India Private Limited (Allottee- not related to the Promoter/ Promoter Group), and Mr. Mahendra R. Shah, Mr. Jatin M. Shah, Mrs. Pushpaben Mahendra kumar Shah and Mrs. Rani Jatin Shah (collectively, the "Promoters") for issuance of 97,98,432 equity shares to JFE Shoji India Private Limited by way of a preferential allotment representing to 5.81% of the fully diluted paid-up capital of the Company of face value ₹1 each, at an issue price of ₹ 53.58 per share (premium ₹ 52.58) where the SSA has been entered into by the Parties for recording the terms and conditions for issuance of equity shares of the Company and SHA set forth the terms and conditions governing their relationship as shareholders of the Company, their respective rights and obligations as equity shareholders of the Company and other matters incidental thereto.

## 17. Directors & Key Managerial Personnel

### I. Details of KMPs and Appointments

During the financial year under report, followings have been designated as the key managerial personnel of the Company pursuant to Sections 2(51) and Section 203 of the Companies Act, 2013 read with the

Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- Mr. Mahendra R. Shah – Chairman & Wholetime Director
- Mr. Jatin M. Shah – Managing Director
- Mr. Pawan Kumar Lohiya – Chief Financial Officer<sup>1</sup>
- Ms. Hetal Koradia – Company Secretary & Compliance Officer<sup>2</sup>
- Ms. Saloni Ghanshyam Hurkat – Company Secretary & Compliance Officer<sup>3</sup>
- Mr. Tarunumar Acharya<sup>4</sup>

<sup>1</sup> Resigned w.e.f. June 19, 2024

<sup>2</sup> Resigned w.e.f. May 30, 2023

<sup>3</sup> Appointed w.e.f. August 24, 2023

<sup>4</sup> Appointed w.e.f. August 16, 2024

There is a change in the composition of Board of Directors of the Company during the financial year ending on March 31, 2024.

### Chief Financial Officer

Mr. Pawan Lohiya, a member of Institute of Chartered Accountant (ICAI) resigned as Chief Financial Officer of the Company w.e.f. June 19, 2024 and The Board at their meeting held on August 03, 2024 appoints Mr. Tarun Acharya member of Institute of Chartered Accountant (ICAI), Chief Financial Officer was appointed for the said position w.e.f. August 16, 2024.

# DIRECTORS' REPORT

## Company Secretary

Ms. Hetal Koradia, member of the Institute of Company Secretaries of India (ICSI) has resigned from the said post w.e.f May 30, 2023 and Ms. Saloni Ghanshyam Hurkat an Associate Members of Institute of Company Secretaries of India (ICSI) was appointed by the board at their meeting held on August 24, 2023.

## Appointment of Independent Director

Mr. Jitendra S. Shah (DIN:08781998) has stepped down from the position of Non- Executive Independent Director of the Company, with effect from 25th November, 2023. Pursuant to Sections 149, 152 and other applicable provisions of the Act and Rules made thereunder, Mr. Tarachand Jain (DIN: 01248594) was appointed as Additional Director (Independent-Non Executive) w.e.f. November 25, 2023 and was regularized by approval of shareholders on January 20, 2024 for the term of five years effective November 25, 2023 up to November 24, 2028 and his office shall not be liable to retire by rotation.

## Declaration by Independent Directors

Pursuant to the provisions of Section 149 of the Act, all the Independent Directors have submitted declarations under Section 149(7) of the Companies Act, 2013 that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) and Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. There has been no change in the circumstances affecting their status as Independent Directors of the Company and the Board is satisfied of the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board.

Further, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have included their names in the data bank of Independent Directors

maintained with the Indian Institute of Corporate Affairs.

## II. Retirement by Rotation

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 and the articles of association of the Company, Mrs. Pushpa M. Shah (DIN: 00182754) will retire by rotation at this annual general meeting and being eligible, she offers herself for re-appointment. The Board recommends her appointment.

## III. Evaluation of the Board's Performance

Pursuant to the provisions of the Companies Act, 2013, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual evaluation of its own performance and that of its committees as well as performance of the directors individually considering various aspects of the board's functioning such as adequacy of the composition of the Board and its committee(s), board culture, experience & competencies, execution and performance of specific duties & obligations, governance etc.

Separate exercise was carried out to evaluate the performance of each of the individual directors including the board's chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgments, safeguarding of minority shareholders' interest etc.

The evaluation of the Independent Directors was carried out by the entire board excluding Independent Directors and that of the Chairman and the performance evaluation of the Non-Independent Director and the board as a whole was carried out by the Independent Directors. The performance evaluation of the Executive Chairman of the Company was also carried out by the Independent Directors, taking into account the views of the Managing Director and other Non-Executive Director(s).

The Directors were satisfied with the evaluation results, which reflected the overall engagement

# DIRECTORS' REPORT

of the board and its committees with the Company. This may be considered as a statement under provisions of Section 134(3)(p) of the Companies Act, 2013 and Rule 8(4) of the Companies (Accounts) Rules, 2014. As at closure of the financial year, the board of your Company is composed with proper number of Executive and Non-Executive Director(s).

## IV. Remuneration Policy

The Company follows a Policy on Remuneration of Directors and Senior Management Employees. The policy has been approved by the Nomination & Remuneration Committee and the board. More details on the same have been given in the corporate governance report.

The Policy on Remuneration of Directors, Key Managerial Personnel and Senior Employees can be accessed on website of the Company at the following web link: <https://arfin.co.in/pdf/policies-disclosures/remuneration-of-directors-key-managerial-personnel-and-senior-employees-policy.pdf>

## 18. Number of Meetings of Board of Directors

The Board of Directors met 9 times during the financial year ended on March 31, 2024. The details of the board meetings and the attendance of the directors are provided in the corporate governance report, which is a part of this report.

## 19. Audit Committee

The Audit Committee of the Company is constituted with Mr. Hardik ShantilalHundia as Chairman and Mr. Mukesh Shankerlal Chowdhary, Mr. Mahendra R. Shah and Mr. Tarachand R. Jain as members of the committee. All the recommendations, if any, made by the Audit Committee were accepted by the Board of Directors during the period under report. More details on the Audit Committee have been provided in the corporate governance report.

## 20. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company is constituted unanimously by the Non-Executive Directors of the Company. Mr. Mukesh Shankerlal Chowdhary holds position of

Chairman of the committee and Mr. Hardik ShantilalHundia and Mr. Tarachand R. Jain are members of the committee.

The Policy, required to be formulated by the Nomination and Remuneration Committee, under Section 178(3) of the Companies Act, 2013 is uploaded on the Company's website at the following web link: <https://arfin.co.in/pdf/policies-disclosures/remuneration-of-directors-key-managerial-personnel-and-senior-employees-policy.pdf>

More details on the committee have been provided in the corporate governance report.

## 21. Stakeholder Relationship Committee

In order to redress the grievances of stakeholders timely and in efficient manner and as statutorily required, the Company has formulated a committee named Stakeholder Relationship Committee which is headed by Mr. MukeshShankerlalChowdhary as Chairman and is further constituted with Mr. Mahendra R. Shah, Mrs. Pushpa M. Shah and Ms. SaloniHurkat as members of the committee.

More details on the committee have been provided in the corporate governance report.

## 22. Internal Complaints Committee (ICC)

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment.

All employees (permanent, contractual, temporary, trainees) are covered under this policy. The policy is gender neutral and provides the employees safety against harassment, if any. The said policy adopted by the Company for prevention of sexual harassment at workplace is available on its website at the following web link: <https://arfin.co.in/pdf/policies-disclosures/prevention-ofsexual-harassment-policy.pdf>



# DIRECTORS' REPORT

During the financial year ended on March 31, 2024, the Company did not receive any complaint pertaining to sexual harassment.

## 23. Related Party Transactions

All the Related Party Transactions, if any, are being entered on arm's length basis, in ordinary course of business and in compliance with the applicable provisions of the Companies Act, 2013 and relevant Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Your directors further confirm that there were no materially significant Related Party Transactions made by the Company with promoters, directors or key managerial personnel etc. which may have potential conflict with the interest of the Company at large.

All the Related Party Transactions are presented to the Audit Committee and to the board. Omnibus approval has been obtained from Audit Committee, Board of Directors and members of the Company for the transactions with the related parties.

The policy on Related Party Transactions as approved by the board has been uploaded on the Company's website at the following web link: <https://arfin.co.in/pdf/policies-disclosures/other-disclosures/disclosure-of-related-party-transactions-31-03-2024-new1.pdf>

## 24. Establishment of Vigil Mechanism / Whistle Blower Policy for Directors and Employees

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism wherein the employees are free to report illegal or unethical behaviour, improper practice, wrongful conduct taking place, actual or suspected fraud or violation of the Company's code of conduct or corporate governance policies or any improper activity to the Chairman of the Audit Committee of the Company or to the Chairman of the board. The Whistle Blower Policy has been duly communicated within the Company.

Under the Whistle Blower Policy, the confidentiality of those reporting violation(s) is protected and they are not subject to any discriminatory practices. No

personnel have been denied access to the Audit Committee in this regard. The said Vigil Mechanism / Whistle Blower Policy has been uploaded on website of the Company and can be accessed at the following web link: <https://arfin.co.in/pdf/policies-disclosures/vigil-mechanism-policy.pdf>

## 25. Loans, Guarantees or Investments under Section 186 of the Companies Act, 2013

The Company did not provide any guarantee in respect of loans availed by any other person, under the provisions of Section 186 of the Companies Act, 2013 and Rules framed thereunder during the financial year under report. Details of loans and investments covered under the provisions of Section 186 are given in the notes forming part of the financial statements which form part of this annual report.

## 26. Managerial Remuneration

The Company follows a Policy on Remuneration of Directors, KMP and Senior Management Employees. The Company has paid remuneration to the Executive as well as sitting fees to the Non-Executive Directors during the financial year under report. More details on the managerial remuneration have been given in the extract of annual return and in the corporate governance report.

## 27. Management Discussion and Analysis Report

A detailed analysis of the Company's performance is made in the management discussion and analysis report, which forms part of this annual report.

## 28. Corporate Governance Report

The Company has a rich legacy of ethical governance practices many of which were implemented by the Company, even before they were mandated by Law.

The Company is committed to transparency in all its dealings and places high emphasis on business ethics. A report on corporate governance as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this annual report.

# DIRECTORS' REPORT

## 29. Code of Conduct

The Board of Directors has laid down a Code of Conduct ("Code") for the board members, managerial personnel and for senior management employees of the Company. This Code has been posted on the Company's website at <https://arfin.co.in/investors/code-of-conduct> All the board members and senior management personnel have affirmed compliance with this code. A declaration signed by the Managing Director to this effect forms part of the corporate governance report.

The Board of Directors has also laid down a Code of Conduct for the Independent Directors pursuant to the provisions of Section 149(8) and Schedule IV to the Companies Act, 2013 via terms and conditions for appointment of Independent Directors, which is a guide to the professional conduct for Independent Directors and has been uploaded on the website of the Company at the following weblink: <https://arfin.co.in/pdf/policies-disclosures/terms-and-conditions-of-appointment-of-independent-directors.pdf>

## 30. Risk Management Policy

The Company has a well-defined risk management framework in place, which provides an integrated approach for identifying, assessing, mitigating, monitoring and reporting of risks associated with the business of the Company. The Company has developed Risk Management Policy in accordance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("SEBI Listing Regulations"). It establishes various levels of accountability and overview within the Company, while vesting identified officials with responsibility for each significant risk.

The board has delegated responsibility to the Committee to monitor and review risk management, assessment and minimization procedures and to develop, implement and monitor the risk management plan and identify, review and mitigate all elements of risks which the Company may be exposed to. The Audit Committee and the board also periodically review

the risk management assessment and minimization procedures.

The board takes responsibility for the overall process of risk management in the organization. Through Enterprise Risk Management Programme, business units and corporate functions address opportunities and attend the risks with an institutionalized approach aligned to the Company's objectives. This is facilitated by internal audit. The business risk is managed through cross functional involvement and communication across businesses.

A Risk Management Policy adopted by the board in this regard includes identification of elements of risks which mainly covers strategic risk, operational risk, financial risk and hazardous risks which can be accessed from the website of the Company at the following web link: <https://arfin.co.in/pdf/policies-disclosures/risk-management-policy.pdf>

More details on the risk and concern factors have been given in the management discussion and analysis report.

## 31. Corporate Social Responsibility

Pursuant to the provisions of Section 135 of the Companies Act, 2013 including Rules framed thereunder, during the financial year under report the Company attracted the criteria for applicability of corporate social responsibility. Accordingly, it has constituted a Corporate Social Responsibility Committee which comprises of:

Sr. No.	Name of the Member	Nature of Membership
1	Mr. Mahendra R. Shah	Chairman
2	Mr. Mukesh Chowdhary	Member
3	Mrs. Pushpa M. Shah	Member

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in Annexure – 6 of this report in the format prescribed in the Companies (CSR Policy) Rules, 2014. The Policy is available on Company's website of the

# DIRECTORS' REPORT

Company at the following web link:  
[https://arfin.co.in/pdf/\\_policies-disclosures/corporate-social-responsibility-policy.pdf](https://arfin.co.in/pdf/_policies-disclosures/corporate-social-responsibility-policy.pdf)

## 32. Directors' Responsibility Statement

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, with respect to the director's responsibility statement, it is hereby stated:

- a. that in the preparation of the annual financial statements for the year ended on March 31, 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies as mentioned in notes to the financial statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2024 and of the profit of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual financial statements for the year ended on March 31, 2024 have been prepared on a going concern basis;
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and
- f. that the system to ensure the compliances with the provisions of all applicable laws was in place and were adequate and operating effectively.

## 33. Disclosure u/s 164(2) of the Companies Act, 2013

On the basis of the written representations received from the Directors as on March 31, 2024 and taken on record by the Board of Directors,

none of Directors is disqualified as on March 31, 2024 from being appointed as a Director in terms of Section 164(2) of the Companies Act, 2013 read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

## 34. Transfer of Amount(s) and Shares to the Investor Education and Protection Fund

Section 124 of the Companies Act, 2013 mandates that companies shall transfer dividend(s) that remain unpaid or unclaimed for a period of seven years, from the unpaid dividend account to the Investor Education and Protection Fund.

During the year, the Company has transferred the unclaimed and un-encashed dividends of ₹ 1,79,412 related to financial year 2015-16 to IEPF as per the requirements of the IEPF Rules

Information about unclaimed / unpaid dividends and unclaimed shares to be transferred to IEPF is provided in the notes to the Notice of AGM.

## 35. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars as to conservation of energy, technology absorption and foreign exchange earnings and outgo required to be disclosed in terms of Section 134 of the Companies Act, 2013 and Rule 8 of the Companies (Accounts) Rules, 2014 have been given separately as **Annexure – 1**.

## 36. Extract of Annual Return

Pursuant to Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, the Company has placed a copy of the Annual Return as at March 31, 2023 on its website at <https://arfin.co.in/investors/annual-return>. By virtue of amendment to Section 92(3) of the Companies Act, 2013, the Company is not required to provide extract of Annual Return (Form MGT-9) as part of the Board's Report.

## 37. Form AOC-2

Form AOC - 2 pursuant to clause (h) of sub Section (3) of Section 134 of the Companies Act,

# DIRECTORS' REPORT

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2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 for disclosure of particulars of contracts / arrangements, if any, entered into by the Company with the related parties as referred in Section 188(1) of the Companies Act, 2013 for financial year ended March 31, 2023 is enclosed herewith as **Annexure – 2**.

## 38. Particulars of Employees and Remuneration

As required by the provisions of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, the particulars are set out in **Annexure – 3**.

## 39. Secretarial Audit Report

The Secretarial Audit Report given by Mr. Kamlesh M. Shah, proprietor of M/s. Kamlesh M. Shah & Co., Practicing Company Secretary, Ahmedabad, for the financial year ended on March 31, 2023 is enclosed herewith as **Annexure – 4**.

## 40. Auditors Certificate on Corporate Governance

A certificate from Statutory Auditors of the Company regarding compliance of conditions of corporate governance as stipulated under the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed herewith as **Annexure – 5**.

## Registered Office

Plot No.117, Ravi Industrial Estate,  
Behind Prestige Hotel, Billeshwarpura,  
Chhatral, Gandhinagar-382729-Gujarat, India  
CIN: L65990GJ1992PLC017460  
Tel. No.: +91 2764 232621  
Email: [investors@arfin.co.in](mailto:investors@arfin.co.in)  
Website: [www.arfin.co.in](http://www.arfin.co.in)

## 41. Other Disclosures

1. There are no proceedings, either filed by Arfin or filed against Arfin, pending under the Insolvency and Bankruptcy Code, 2016 as amended, before National Company Law Tribunal or other courts during the financial year 2023-2024.
2. There was no instance of onetime settlement with any Bank or Financial Institution.

## 42. Acknowledgments

Your Directors wish to convey their appreciation to all the employees of the Company for their enormous efforts as well as their collective contribution, co-operation, active participation and professionalism as all such things have collectively made the Company's growth possible.

The Directors would also like to thank the Shareholders, Customers, Dealers, Suppliers, Bankers, Government, Regulatory Authorities and all other Business Associates for their continuous support to the Company and their confidence in its management. Finally, the Directors thank you all for your continued trust and support.

**For and on Behalf of Board of Directors**

**Mahendra R. Shah**

(Chairman)

(DIN: 00182746)

Place: Chhatral

Date: August 03, 2024



# ANNEXURE 1 TO THE DIRECTORS' REPORT

## Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo Pursuant to the Provisions of Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014

### (A) Conservation of Energy

(i) steps taken or impact on conservation of energy	Nil
(ii) steps taken by the Company for utilizing alternate sources of energy	Nil
(iii) capital investment on energy conservation equipments	Nil

### (B) Technology Absorption

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

### (C) Foreign Exchange Earnings and Outgo

Description	₹ In Lakhs
<b>Foreign Exchange Earned (Actual Inflow)</b>	
Sale of Finished Goods	10,507.30
Others	0.00
<b>Total</b>	<b>10,507.30</b>
<b>Foreign Exchange Used (Actual Outflow)</b>	
Import of Raw Material	22,663.34
Import of Capital Goods	0.00
Consultancy Expenses	0.00
Business Promotion Expenses	0.00
Commission	0.00
Foreign Travelling Expenses	0.00
Clearing and Forwarding Charges	0.00
Interest Expenses	122.79
<b>Total</b>	<b>22,786.13</b>

For and on Behalf of the Board of Directors

**Mahendra R. Shah**  
(Chairman)  
(DIN: 00182746)

Place: Chhatral  
Date: August 03, 2024

# ANNEXURE 2 TO THE DIRECTORS' REPORT

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## Form No. AOC - 2

(Pursuant to Clause (h) of Sub-Section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

1. Details of contract or arrangements of transactions not at arm's length price: Nil
2. Details of material contracts or arrangement or transactions at arm's length basis: Nil

For and on Behalf of the Board of Directors

Place: Chhatral  
Date: August 03, 2024

**Mahendra R. Shah**  
(Chairman)  
(DIN: 00182746)

## ANNEXURE 3 TO THE DIRECTORS' REPORT

### Disclosure as per Section 197(12) of the Companies Act, 2013 & Rule 5(1) & (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 Rule 5(1)

- i. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year ended on March 31, 2024 and
- ii. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

Name	Designation	Ratio to Median Employee	% Increase in Remuneration in the Financial Year 2023-24
Mahendra R. Shah	Chairman & Wholetime Director	28.41:1	-
Jatin M. Shah	Managing Director	28.41:1	-
Pushpa M. Shah	Executive Director	11.36:1	-
Mukesh Shankerlal Chowdhary	Independent Director	Being Non-Executive Directors, only sitting fees was paid and ratio of remuneration to the remuneration of median employee is not being given.	
Hardik Shantilal Hundia	Independent Director		
Jitendra Shankerlal Shah	Independent Director		
Tarachand Roopchand Jain <sup>2</sup>	Independent Director		
Pawan Kumar Lohiya <sup>3</sup>	Chief Financial Officer	8.33:1	-
Hetal Koradia <sup>4</sup>	Company Secretary & Compliance Officer	0.11:1	-
Saloni Hurkat <sup>5</sup>	Company Secretary & Compliance Officer	1.54:1	-

<sup>1</sup>Resigned w.e.f. November 25, 2023

<sup>2</sup>Appointed w.e.f. November 25, 2023

<sup>3</sup>Resigned w.e.f. June 19, 2024

<sup>4</sup>Resigned w.e.f. May 30, 2023

<sup>5</sup>Appointed w.e.f. August 24, 2023

- iii. The percentage increase in the median remuneration of employees in the financial year ended on March 31, 2024: Nil
- iv. The number of permanent employees on the rolls of Company: 298 employees (Previous year 310 employees)
- v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration:
  - Average increase in remuneration of employees excluding KMPs: (4.72%)
  - Average increase in remuneration of KMPs: 0.00
- vi. The Company affirms that the remuneration is as per the remuneration policy of the Company.
- vii. The Statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the Members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any Member interested in obtaining a copy of the same may write to the Company Secretary of the Company.

**For and on Behalf of the Board of Directors**

**Mahendra R. Shah**  
(Chairman)  
(DIN: 00182746)

Place: Chhatral  
Date: August 03, 2024

# ANNEXURE 4 TO THE DIRECTORS' REPORT

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## Form No. MR-3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2024

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

To,  
The Members,  
ARFIN INDIA LIMITED  
CIN: L65990GJ1992PLC017460

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ARFIN INDIA LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the records of **ARFIN INDIA LIMITED**, books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering **the financial year ended on March 31, 2024** complied with the statutory provisions listed hereunder and also that the company has proper Board processes and compliances mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and record maintained by **ARFIN INDIA LIMITED (CIN: L65990GJ1992PLC017460) for the financial year ended on March 31, 2024 according to the provisions of:**

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulations) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. The Foreign Exchange Management Act, 1999 and the rules and regulation made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings: **Not applicable for the year under Report;**
- v. The following Regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011; The Annual Disclosure of holdings as per Regulation 30 of the SEBI (SAST) Regulation are done through System Driven Disclosure signed with Depositories by the Company.
  - b. The Securities and Exchange Board of India (Prohibition of Insider Training) Regulations, 2015; The Company has installed a software for Structural Digital Database which is being updated and requisite



## ANNEXURE 4 TO THE DIRECTORS' REPORT

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information are filled in from time to time as per requirements and events.

- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018: **Not Applicable as the Company has not issued any further share capital during the period under report;**
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999: **Not Applicable for the year under report;**
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: **Not Applicable as the Company has not issued and listed any debt securities during the financial year under report;**
- f. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with shareholders/ investors.
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not Applicable for the year under report;
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: Not Applicable as there was no reportable event during the period under review;
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. except Regulation 31 for Shareholding Pattern for March 2024 Quarter is submitted on belated basis for 2 days. The BSE Ltd has imposed penalty of Rs. 2000/-. The Company has submitted clarification and requested for waiver of such penalty.

As stated in the **Annexure – A** – all the laws, rules, regulations are applicable specifically to the company.

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

- (ii) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India or any amendment, substation, if any, are adopted by the Company and are complied with; The Company sends Draft minutes by physical mode to every director for their comments.
- (iii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulation 2015 is complied with

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

### I further report that

The Board of Directors of the company is duly constituted with proper balance of Executive Directors, Non – Executives Directors, Independent Directors including Woman Director.

The changes in the composition of the Board of Directors that took place during the period under report were carried out in compliance with the provisions of the act and with intimation to stock exchanges(s). **The Independent Director Mr. Tarachand Jain appointed is yet to pass requisite qualifying examination of**

## ANNEXURE 4 TO THE DIRECTORS' REPORT

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the IICA for which he has time up to 12 months from date of his registration as Independent Director on website of IICA.

Adequate notice is given to all directors to schedule the meetings of Board and Committees of the Board, agenda and detailed notes on agenda were sent at least seven days in advance or with consent of directors at a shorter notice, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be. However, there does not exist an electronic or paper votes system to record the dissenting votes/ opinion of any director except specifically mentioned by any director to be recorded his dissenting opinion/ votes if any in the minutes.

**I 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 compliances with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period, the company has not incurred any specific event / action that can have a bearing on the company's compliance responsibilities in pursuance of the above referred laws, rules, regulations, guideline, standards, etc.

**I further report that** during the audit period, the company has filed all the relevant forms for Creation, Modification, and Satisfaction of Charges with Registrar of Companies in time and has also updated its Register of Charge.

**For Kamlesh M. Shah & Co.,**  
Practicing Company Secretary

**Kamlesh M. Shah**

(Proprietor)

(ACS: 8356, COP: 2072)

Peer Review Certificate No.: 1090/2021

Place: Ahmedabad

Date: 28th May 2024

UDIN: A008356F000466968

Note: This report is to be read with my letter of even date which is annexed as Annexure – B and forms an integral part of this report.

# ANNEXURE 4 TO THE DIRECTORS' REPORT

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## ANNEXURE-A

### **Securities Laws**

1. All Price Sensitive Information were informed to the stock exchanges from time to time as per Regulation 30 of SEBI (LODR) 2015.
2. All investors complain directly received by the RTA and Company is recorded on the same date of receipts and all are resolved within reasonable time.
3. The Company maintains Structural Digital Database software and is inserting and updating requisite information in the SDD software periodically as per requirement.
4. The Annual Disclosure of shareholding of Promoters/ Directors/KMP as per Regulation 30 of SAST is being made through System Driven Disclosure procedure adopted and signed with Depositories by the Company.

### **Labour Laws**

1. All the premises and establishments have been registered with the appropriate authorities under relevant laws, rules, regulations and all such registrations are renewed in time whenever required.
2. The Company has not employed any child labour / Bonded labour in any of its establishments.
3. Provisions with relate to compliances of PF / ESI / Gratuity Act are applicable to Company and Complied with.
4. Other Labour Laws rules, regulations like POSH Annual Return etc. are submitted in time with requisite authorities.

### **Environmental Laws**

As the company is engaged in the manufacturing activities, the environmental laws are applicable to it and it has properly complied with such provisions to the extent applicable as confirmed by the Management.

### **Taxation Laws**

The company follows all the provisions of the indirect taxation and the Income Tax Act, 1961 and filing the returns at proper time with Income tax department and all other necessary departments. In this regard we have relied upon observation of Statutory financial auditors

**for Kamlesh M Shah and Company**  
Practicing Company Secretary

Date: 28<sup>th</sup> May 2024  
Place: Ahmedabad.  
UDIN: A008356F000466968

**Kamlesh M. Shah**  
Proprietor  
ACS: 8356, COP: 2072  
Peer Review No. 1090/2021

# ANNEXURE 4 TO THE DIRECTORS' REPORT

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## ANNEXURE-B

To,  
The Members,  
**ARFIN INDIA LIMITED**

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the Company.
4. Wherever required, I have obtained the management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Kamlesh M. Shah & Co.,**  
Practicing Company Secretary

Place: Ahmedabad  
Date: 28<sup>th</sup> May 2024  
UDIN: A008356F000466968

**Kamlesh M. Shah**  
(Proprietor)  
(ACS: 8356, COP: 2072)  
Peer Review Certificate No.: 1090/2021



# ANNEXURE 5 TO THE DIRECTORS' REPORT

## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members,  
**Arfin India Limited**

We have examined the compliance of conditions of Corporate Governance by Arfin India Limited for the financial year ended on March 31, 2024, 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 Obligations and Disclosure Requirements) Regulations, 2015 as amended.

### Managements' Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the 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 the SEBI Listing Regulations.

### Auditor's Responsibility

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.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

### Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representation provided by 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 SEBI Listing Regulations during the year ended March 31, 2024.

We further 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, Raman M. Jain & Co.,**  
Chartered Accountants  
Firm registration number: 113290W

Place: Ahmedabad  
Date: May 20, 2024  
UDIN: 24045790BKBOBW2361

**Raman M. Jain**  
Partner)  
(Membership No.: 045790)

# ANNEXURE 6 TO THE DIRECTORS' REPORT

## Annual Report on CSR Activities

### 1. Brief outline on CSR Policy of the Company

Arfin believes in trusteeship concept, reaching out to underserved communities to enhance value creation in the society and in the community in which it operates, through its services, conduct and initiatives to actively contribute to the social and economic development of the underserved communities, lifting the burden of poverty and helping bring in inclusive growth.

Arfin believes that Corporate Social Responsibility ("CSR") builds a better, sustainable way of life for the weaker sections of society and raise the country's human development index" ambit of business and should focus on a broad portfolio of assets viz. human, physical, environmental and social. The CSR Policy of the Company inter-alia includes CSR Activities to be undertaken by the Company in line with Schedule VII of the Companies Act, 2013. The projects undertaken are within the broad framework of Schedule VII of the Companies Act, 2013.

#### Focus areas

- Promoting healthcare including preventive healthcare
- Eradicating hunger, poverty and sanitation programs
- Destitute care and rehabilitation
- Environmental sustainability and ecological balance
- Promoting education, enhancing vocational skills
- Rural development
- Protection of national heritage, restoration of historical sites, promotion of art and culture

### 2. Composition of the CSR committee:

Sr. No	Name of Director	Designation / Nature of Directorship	Number of Meetings of CSR Committee Held During the Year	Number of Meetings of CSR Committee Attended During the Year
1	Mr. Mahendra R. Shah	Chairman & WTD	1	1
2	Mrs. Pushpa M. Shah	Executive Director	1	1
3	Mr. Mukesh S. Chowdhary	Non-Executive Independent Director	1	1

### 3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company

- Composition of the CSR Committee shared above and is available on the Company's website at <http://www.arfin.co.in/pdf/disclosures/composition-of-committee-of-board-of-directors.pdf>
- CSR policy – <http://www.arfin.co.in/pdf/policies/corporate-social-responsibility-policy.pdf>
- CSR projects - <http://www.arfin.co.in/pdf/policies/corporate-social-responsibility-policy.pdf>

### 4. Provide the Details of Impact Assessment of CSR Projects carried out in pursuance of Sub-Rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable

No Impact Study has been carried out in this financial year

## ANNEXURE 6 TO THE DIRECTORS' REPORT

5. Details of the Amount Available for Set-off in pursuance of Sub-Rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set-off for the financial year, if any:

Sr. No	Financial Year	Amount Available for Set-off from Preceding Financial Years (₹ in Lakhs)	Amount Required to be Set-off for the Financial Year, if any (₹ in Lakhs)
1	2020-21	0.22	0.22

6. Average net profit of the Company as per Section 135(5): ₹ 871 Lakhs
7. (a) Two percent of average net profit of the Company as per Section 135(5): ₹ 17.42 Lakhs  
 (b) Surplus arising out of the CSR projects or programs or activities of the previous financial years: ₹ 0.22 Lakhs.  
 (c) Amount required to be set-off for the financial year, if any: ₹ 0.22 Lakhs.  
 (d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 17.20 Lakhs.
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹ in Lakhs)	Amount Unspent (₹ in Lakhs)				
	Total Amount Transferred to Unspent CSR Account as per Section 135(6)		Amount Transferred to any Fund Specified under Schedule VII as per Second Proviso to Section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
Nil	Nil	-	-	Nil	-

## Annexure 6 to the Directors' Report

(b) Details of CSR amount spent against ongoing projects for the financial year: Nil

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)		
Sr. No.	Name of The Project	Item from the List of Activities in Schedule VII of the Act	Local Area (Yes / No)	Location of The Project		Project Duration	Amount Allocated for the Project	Amount Spent in the Current Financial Year (₹)	Amount Transferred to Unspent CSR Account for the Project as per Section 135(6) (₹)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation- Through Implementing Agency	
				State	District						Name	CSR Registration Number
-	-	-	-	-	-	-	-	-	-	-	-	-

Company has made payment of ₹ 18 Lakhs in F.Y. 2023-2024 against CSR Expenditure for F.Y. 2022-23

(c) Details of CSR amount spent against other than ongoing projects for the financial year: Nil

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		
Sr. No.	Name of The Project	Item from the List of Activities in Schedule VII of the Act	Local Area (Yes / No)	Location of The Project		Amount Spent for The Project (₹)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation- Through Implementing Agency	
				State	District			Name	CSR Registration Number
-	-	-	-	-	-	-	-	-	-

(d) Amount spent in administrative overheads: Nil

(e) Amount spent on impact assessment, if applicable: Not applicable

(f) Total amount spent for the financial year (8b+8c+8d+8e): ₹ 18 Lakhs



## ANNEXURE 6 TO THE DIRECTORS' REPORT

### (g) Excess amount for set-off, if any

Sr. No	Particular	Amount (₹ in Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	17.42
(ii)	Total amount spent for the Financial Year	18.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.80
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.22
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.80

### 9. (a) Details of unspent CSR amount for the preceding three financial years:

Sr. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (₹)	Amount spent in the Reporting Financial Year (₹)	Amount transferred to any fund specified Under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (₹)
				Name of the Fund	Amount (₹)	Date of Transfer	
1	2021-22	Nil	Nil	Nil	Nil	Nil	Nil
2	2022-23	Nil	Nil	Nil	Nil	Nil	Nil

### (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not applicable

### 10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)

- (a) Date of creation or acquisition of the capital asset(s): None  
 (b) Amount of CSR spent for creation or acquisition of capital asset: NIL  
 (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable  
 (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable

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

For Arfin India Limited

**Jatin M. Shah**  
 (Managing Director)  
 (DIN: 00182683)

Place: Chhatral  
 Date: August 03, 2024

For Arfin India Limited

**Mahendra R. Shah**  
 ((CSR Committee Chairman)  
 (DIN: 00182746)

Place: Chhatral  
 Date: August 03, 2024

# CORPORATE GOVERNANCE REPORT

01

## Accountability

Ensuring that the company's actions and decisions are

02

## Transparency

Providing accurate and timely information about

03

## Responsibility

Ensuring that the company complies with all laws and regulations

**Corporate** represents **Business** and **Governance** represents **Process to make decision** and its **implementation**

Corporate Governance is **mechanism, process and relation** by which Corporations are **Controlled**

**“Trust & Relationship is the foundation of our growth.”**

**Shri Mahendra R. Shah**

Chairman & Whole time Director

This report is prepared in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and the report contains the details of Corporate Governance systems at Arfin India Limited (“the Company”).

At Arfin, Corporate Governance is all about maintaining a valuable relationship and trust with all the stakeholders. We consider stakeholders as partners in our success and remain committed to maximising stakeholders' value, be it Customers, Local Communities, Employees, Suppliers, Trade Unions, NGOs, Investors & Shareholders and Government & Regulatory Authorities.

# CORPORATE GOVERNANCE REPORT

## 1. Company's Philosophy on Code of Corporate Governance

Corporate governance is about internalizing and manifesting a firm commitment to the adoption of ethical practices across the company to deliver value in all of its dealings with a wide group of stakeholders encompassing associates, customers, vendors, regulators and shareholders at all times. It is the evolution of a system by which the values, principles, management policies and procedures of the company are inculcated and manifested.

At Arfin, we believe that corporate governance is an integral means for the existence of the company. It ensures adherence to the moral and ethical values, legal and regulatory framework and the adoption of good practices beyond the realms of law.

Corporate governance in the company is predicated upon an ethos of transparency, accountability, fairness and overall sustainability. The Compliance Report on Corporate Governance herein signifies compliance of all mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

### Governance Structure of Arfin India Limited



Governance structure of the Company comprises of the Board of Directors (the Board) and the Committees of the Board at the top level and the

internal governance structure at the operational level.

The responsibility of the Board is to determine the overall corporate objectives and give directions and freedom to the management to achieve those objectives within a given framework. The organisational and governance structure enables an environment for value creation through sustainable and profitable growth. The governance structure is based on the principles of freedom to the executive management within a given framework to ensure that the powers vested in the executive management are exercised with due care and responsibilities.

The primary role of the Board is to protect the interest and enhance the value for all the stakeholders. It conducts the overall strategic supervision and control by setting policies, reporting mechanism and accountability and decision making process to be followed.

The Chairman and the Managing Director are in overall control and responsible for the overall working of the Company. They give strategic directions, lay down the policy guidelines and ensure the implementation of the decisions of the Board and its Committees. The governance system encourages the entrepreneurship, risk taking and growth orientation with an objective to lead full accountability enabled by appropriate empowerment.

## 2. Board of Directors

The board is accountable to shareholders and other stakeholders and is responsible for protecting and generating sustainable value over the long term. The Board's decisions and actions are aligned with the company's best interests. It is committed to the goal of sustainably elevating the Company's value creation.

Core skills / expertise / competencies available with the Board

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

# CORPORATE GOVERNANCE REPORT

Committees. The following skills / expertise / competencies have been identified for the effective functioning of the Company and are currently available with the Board:

- Leadership
- Corporate Governance
- Strategic Planning
- Operational experience
- Industry Experience, Research & Development and Innovation
- Global Business
- Financial, Regulatory / Legal & Risk Management

## a. Composition and Category of the Board

The Company's policy is to maintain optimum combination of Executive and Non-Executive Directors. The composition of the Board and category of Directors is in conformity with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Sr. No.	Name	Category and Designation
1	Mr. Mahendra R. Shah	Promoter Chairman & Wholetime Director
2	Mr. Jatin M. Shah	Promoter Managing Director
3	Mrs. Pushpa M. Shah	Promoter Executive Woman Director
4	Mr. Hardik Shantilal Hundia	Non Promoter Non-Executive Independent Director
5	Mr. Mukesh Shankerlal Chowdhary	Non Promoter Non-Executive Independent Director
6	Mr. Jitendra Shankerlal Shah <sup>1</sup>	Non Promoter Non-Executive Independent Director
7.	Mr. Tarachand Roopchand Jain <sup>2</sup>	Non Promoter Non-Executive Independent Director

<sup>1</sup> Resigned w.e.f. November 25, 2023-Mr. Jitendra Shankerlal Shah resigned w.e.f. November 25, 2023 and accordingly, ceased to be member of the Committee. He had attended all the meetings of the Committee held up to November 25, 2023.

<sup>2</sup> Appointed w.e.f. November 25, 2023

## Building a foundation of Accountable, Transparent, Responsible and Fair Company

### b. Attendance of Directors at Board Meetings and last Annual General Meeting

In compliance with Regulation 17 of the Listing Regulations and as required under the Companies Act, 2013, the Board meets at least once in each quarter and the gap between any two board meetings was not more than 120 days. In addition, the Board also meets as and when necessary to address specific issues relating to the business of the Company.

The Board periodically reviews the items required to be placed before it and in particular reviews and approves quarterly / year to date unaudited financial statements and the audited annual financial statements, corporate strategies, business plans, annual budgets, projects and capital expenditure, compliance with applicable Laws and Regulations. It monitors overall performance of the Company. All agenda items are supported by relevant information, documents and presentations to enable the Board and Committee(s) thereof to take informed decisions.

During the financial year ended on March 31, 2024, 9 (Nine) board meetings were held on the following dates:

1 May 22, 2023	4 November 8, 2023	7 January 10, 2024
2 August 11, 2023	5 November 25, 2023	8 February 13, 2024
3 August 24, 2024	6 December 27, 2023	9 March 18, 2024



# CORPORATE GOVERNANCE REPORT

Attendance of each director at board meetings and at last annual general meeting (AGM) held on September 29, 2023 is as under:

Sr. No.	Name of Director	Serial Number of Meetings Stated Above									Attendance at last AGM
		1	2	3	4	5	6	7	8	9	
1	Mr. Mahendra R. Shah	✓	✓	✓	✓	✓	✓	✓	✓	✓	Yes
2	Mr. Jatin M. Shah	✓	✓	✓	✓	✓	✓	✓	✓	✓	Yes
3	Mrs. Pushpa M. Shah	✓	✓	✓	✓	✓	✓	✓	✓	✓	Yes
4	Mr. Mukesh Shankerlal Chowdhary	✓	✓	x	✓	✓	✓	✓	✓	✓	Yes
5	Mr. Hardik Shantilal Hundia	✓	✓	✓	✓	✓	✓	✓	✓	✓	Yes
6	Mr. Jitendra Shankerlal Shah	✓	✓	✓	✓	✓	NA	NA	NA	NA	Yes
7	Mr. Tarachand Roopchand Jain	NA	NA	NA	NA	NA	✓	✓	✓	✓	NA

**c. The Number of Directorships on the Board and Board Committees of other Companies, of which the Directors are Members/Chairman, as on March 31, 2024, including skill sets/expertise/competencies/practical knowledge and list of category of Directorship in other listed companies are as follows:**

Sr. No.	Name of Director	Relationship Inter-Se Directors	No. of Other Directorships (Other than Arfin India Limited)	No. of Board Committees (Other than Arfin India Limited)	
				Chairman	Member
1	Mr. Mahendra R. Shah	Related to Mr. Jatin M. Shah & Mrs. Pushpa M. Shah	1	-	-
2	Mr. Jatin M. Shah	Related to Mr. Mahendra R. Shah & Mrs. Pushpa M. Shah	1	-	-
3	Mrs. Pushpa M. Shah	Related to Mr. Mahendra R. Shah & Mr. Jatin M. Shah	-	-	-
4	Mr. Mukesh Shankerlal Chowdhary	-	4	-	-
5	Mr. Hardik Shantilal Hundia	-	-	-	-
6	Mr. Jitendra Shankerlal Shah	-	NA	NA	NA
7	Mr. Tarachand Roopchand Jain	-	-	-	-

At Arfin the Board is committed to the goal of sustainably elevating the Company's value creation, consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance with their skills, competencies and expertise. The Board's actions and decisions are aligned with the Company's best interests. The Company has defined guidelines and an established framework for the meetings of the Board and Committees. These guidelines seek to systematise the decision-making process at the meetings of the Board and Committees in an informed and efficient manner.

# CORPORATE GOVERNANCE REPORT

Sr. No.	Name of Director	Category	Special Knowledge / Practical Experience / Skills / Expertise / Competencies	List and Category of Directorship in Other Listed Companies
1	Mr. Mahendra R. Shah	Executive Chairman & Whole Time Director	Business Strategy, Business Management, Human Resource Management, and Strategic Management and Corporate Governance	-
2	Mr. Jatin M. Shah	Managing Director	Investment Banking and Structured Finance, Foreign Exchange Management, Marketing, Operations and Process Optimization	-
3	Mrs. Pushpa M. Shah	Executive Director	Business Management	-
4	Mr. Mukesh Shankerlal Chowdhary	Non-Executive Independent Director	Corporate Advisory, Strategic Management, Corporate Governance	-
5	Mr. Hardik Shantilal Hundia	Non-Executive Independent Director	Corporate Advisory, Strategic Planning, Corporate Governance	-
6	Mr. Jitendra Shankerlal Shah	Non-Executive Independent Director	Risk Management, Corporate Financing, Corporate Governance	-
7	Mr. Tarachand Roopchand Jain	Non-Executive Independent Director	Risk Management, Corporate Financing, Corporate Governance	-

**Note:** The Nomination & Remuneration Committee (NRC) of the Board undertakes the process of due diligence and evaluates every year whether the members of the Board adhere to the 'fit and proper' criteria and the adherence to the 'fit and proper' criteria by the members of the NRC is evaluated by the Board of Directors annually and at the time of appointment of Directors.

#### d. Number and Dates of Meetings of the Board of Directors

Please refer point (b.) above.

#### e. Relationship Between Directors Inter-se

Please refer point (c.) above.

#### f. No. of Shares and Convertible Instruments held by the Non-Executive Directors

Sr. No.	Name of the Non-Executive Director	No. of Equity Shares Held as on March 31, 2024	No. of Convertible Instruments Held as on March 31, 2024
1	Mr. Mukesh Shankerlal Chowdhary	4,800	NA
2	Mr. Hardik Shantilal Hundia	-	-
3	Mr. Tarachand Roopchand Jain	38,543	NA

- g. Web Link of Familiarization Programs imparted to the Independent Directors At the time of appointment of an Independent Director, a formal letter of appointment is offered to him / her, which inter alia explains the role, functions, duties and responsibilities expected from him / her as a Director of the Company.

All our Directors are aware and also updated, whenever required, of their role, responsibilities, liabilities and obligations under the provisions of the Companies Act, 2013 and Rules made

# CORPORATE GOVERNANCE REPORT

thereunder and Regulation 25 of the Listing Regulations. Independent Director's Familiarization Programme is posted on the website of the Company at following web link: <http://www.arfin.co.in/policies-disclosures.html>

## h. Confirmation by the Board on Fulfillment of Independence of the Independent Director

The Board also hereby confirms that all the Independent Directors of Company fulfill all the conditions specified in the Companies Act, 2013, LODR Regulations, 2015 and are Independent of the Management.

## I. Independent Director Databank Registration

The Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

Sr. No.	Name of Independent Director	Status of Online Proficiency Self-Assessment Test	Score Obtained
Mr.	Mukesh Shankerlal Chowdhary	Exempted from the Test	N.A.
Mr.	Hardik Shantilal Hundia	Cleared the Test	70%
Mr.	Jitendra Shankerlal Shah <sup>1</sup>	Not able to clear the exam	-
Mr.	Tarachand Roopchand Jain <sup>2</sup>	Yet to clear the Exam	-

\*Data as on March 31, 2024

<sup>1</sup>Resigned w.e.f. November 25, 2023

<sup>2</sup>Appointed w.e.f. November 25, 2023

## j. Meeting of Independent Directors

The Company's Independent Directors met on June 21, 2023 and March 18, 2024 during the financial year 2023-24. Such meeting was conducted to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views.

- Review with the management, the quarterly financial statements before submission to the Board for approval.
- Review with the management, the statement of uses / application of funds.
- Review and monitor the auditor's independence, performance and effectiveness of audit process.
- Approval or any subsequent modification of transactions with related parties of the Company
- Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board

## 3. Audit Committee

### a. Brief Terms of Reference

Terms of Reference of the Committee inter alia include the following:

- Recommend appointment, remuneration and terms of appointment of auditors including cost auditors.
- Approval of payment to statutory auditors, including cost auditors, for any other services rendered by them.

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- Review the functioning of the whistle-blower mechanism / oversee the vigil mechanism.
- Review financial statements, in particular the investments made by the Company's unlisted subsidiaries
- Review and discuss measures with Internal Auditors regarding internal control weakness and any other significant findings and follow up thereon

Apart from having access to all the required information from within the Company, the Committee can also obtain outside professional advice whenever required. The Committee is authorized to oversee the functioning of the Whistle Blower Policy / Vigil Mechanism. The Committee is also empowered to review, inter alia, the remuneration payable to the Internal Auditors and Statutory Auditors, fees paid / payable for other services and to recommend changes in the Auditors, if thought proper.

Further, it is also empowered to review the management discussion and analysis of the financial conditions and results of operations and statement of significant related party transactions. It also looks into any other matters as referred to it by the Board of Directors from time to time. Generally, all the items stated in Section 177(4) of the Companies Act, 2013 and Point A of Part C of the Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are covered under the roles of the Audit Committee.

The Audit Committee has been granted powers as prescribed under provisions of the Regulation 18(2)© of the aforesaid Regulations and reviews all the information as prescribed in Point B of the Part C of the Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## b. Composition of Audit Committee

As at March 31, 2024, the following directors were members of the Audit Committee:

Sr. No.	Name of the Member	Designation	Committee Position
1	Mr. Hardik Shantilal Hundia	Independent Director	Chairman
2	Mr. Mukesh Shankerlal Chowdhary	Independent Director	Member
3	Mr. Jitendra Shankerlal Shah <sup>1</sup>	Independent Director	Member
4	Mr. Tarachand Roopchand Jain <sup>2</sup>	Independent Director	Member
5	Mr. Mahendra R. Shah	Chairman & WTD	Member

\*Data as on March 31, 2024

<sup>1</sup> Resigned w.e.f. November 25, 2023

<sup>2</sup> Appointed w.e.f. November 25, 2023

All members of the Audit Committee have the requisite qualification for appointment on the committee and possess sound knowledge of finance, accounting practices and internal controls. Company Secretary and Compliance Officer acts as Secretary of the Committee.

## c. Meetings and Attendance

During the financial year ended on March 31, 2024, the Committee met 5 (five) times on (i) May 22, 2023 (ii) August 11, 2023 (iii) November 8, 2023 (iv) February 13, 2024 and (v) March 18, 2024.

The details of a ttendance of Committee members are given in this Report.



# CORPORATE GOVERNANCE REPORT

Sr. No.	Name of the Member	Serial Number of Meetings Stated Above			
		i	ii	iii	iv
1	Mr. Mahendra R. Shah	√	√	√	√
2	Mr. Mukesh S. Chowdhary	√	√	√	√
3	Mr. Hardik S. Hundia	√	√	√	√
4	Mr. Jitendra S. Shah	√	√	NA	NA
5	Mr. Tarachand Roopchand Jain	NA	NA	√	√

#### d. Invitees at the Audit Committee Meetings

The Managing Director, Chief Financial Officer is also invited along with members of the Committee to attend and participate in these meetings. The Company continues to derive benefits from the deliberations of the Audit Committee meetings as the members are experienced in the areas of finance, accounts, taxation, corporate laws and industry. It ensures accurate and timely disclosures that maintain the transparency, integrity and quality of financial control and reporting.

## 4. Nomination and Remuneration Committee

#### a. Brief Description of Terms of Reference

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, the Board has constituted a Nomination and Remuneration Committee (NRC). The Terms of reference of the NRC are specified in Clause A of Part D of Schedule II of the Listing Regulations which are being followed by the committee as well.

The functions of Nomination and Remuneration Committee, inter alia, include the following:

- Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
- Formulate the criteria for evaluation of performance of the Independent Directors and the Board of Directors.
- To develop and review the succession plan for the Board.
- Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal.
- Specify the manner for effective evaluation of performance of Board, its Committees and Individual Directors to be carried out either by the Board, by Nomination and Remuneration Committee and review its implementation and compliance.
- Recommend to the Board, all remuneration, in whatever form, payable to senior management.

# CORPORATE GOVERNANCE REPORT

## b. Composition of the Committee

As at March 31, 2024, the following directors were members of the Nomination and Remuneration Committee:

Sr. No.	Name of the Member	Designation	Committee Position
1	Mr. Mukesh Shankerlal Chowdhary	Independent Director	Chairman
2	Mr. Hardik Shantilal Hundia	Independent Director	Member
3	Mr. Jitendra S. Shah	Independent Director	Member
4	Mr. Tarachand Roopchand Jain <sup>2</sup>	Independent Director	Member

\*Data as on March 31, 2024

<sup>1</sup> Resigned w.e.f. November 25, 2023

<sup>2</sup> Appointed w.e.f. November 25, 2023

Company Secretary and Compliance Officer acts as Secretary of the Committee.

## c. Meetings and Attendance

During the financial year ended on March 31, 2024, NRC Committee meeting was held on August 24, 2023 and November 25, 2023. Requisite Committee members attended the said meeting.

## c. Disclosure of Remuneration

The amount of remuneration paid to the Directors of the Company during the financial year ended on March 31, 2024 is as follows:

₹ In Lakhs

Particulars of Remuneration	Whole time Director	Managing Director	Executive Director
	Mr. Mahendra R. Shah	Mr. Jatin M. Shah	Mrs. Pushpa M. Shah
Gross Salary	12.00	12.00	6.00
Ad-hoc Allowance	61.56	61.56	23.28
Contribution of Employer to the Provident Fund	1.44	1.44	0.72
<b>Total</b>	<b>75.00</b>	<b>75.00</b>	<b>30.00</b>

## d. Performance Evaluation Criteria of Independent Directors

The performance evaluation criteria of the Independent Directors are determined by the Nomination and Remuneration Committee.

An indicative list of the factors that may be evaluated includes participation and contribution by the director, commitment, effective deployment of knowledge, expertise of their field, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgment.

## 5. Remuneration of Directors

### a. Pecuniary Relationship or Transactions of the Non-Executive Directors vis-à-vis Company

Apart from receiving sitting fees for attending board and eligible committee meetings, there were no other pecuniary relationships or transactions made with Non-Executive Directors vis-à-vis your Company.

### b. Criteria of making payments to the Non-Executive Directors

The Non-Executive Directors of the Company have been paid remuneration of ₹ 1,000/- for attending each of the Board Meetings and ₹ 1,000/- for attending each of the Audit Committee meetings during the financial year 2023-2024.

# CORPORATE GOVERNANCE REPORT

₹ In Lakhs

Non- Executive Directors	Mr. Mukesh Shankerlal Chowdhary	Mr. Hardik Shantilal Hundia	Mr. Jitendra Shankerlal Shah	Mr. Tarachand Roochand Jain	Total
Sitting Fee Paid	0.14	0.14	0.10	0.06	0.46

## 6. Stakeholder Relationship Committee or Shareholders' / Investors' Grievance Committee

### a. Brief of Terms of Reference

The Stakeholder Relationship Committee is constituted in line with the provisions of Regulation 20 of the SEBI Listing Regulations and Section 178 of the Act.

The functions of Stakeholders Relationship Committee, inter alia, include the following:

- Oversee and review all matters connected with transfer of Company's securities.
- Monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading.
- Consider, resolve and monitor various aspects of interest of shareholders, debenture holders and other security holders including the redressal of investors' / shareholders' / security holders' grievances related to transfer / transmission of securities, non-receipt of annual reports, non-receipt of declared dividend, issue new / duplicate certificates, general meetings, issue of New / Duplicate certificates and so on
- Review measures taken for effective exercise of voting rights by shareholders.
- Review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the security shareholders of the Company
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Take a note of the unclaimed dividend and equity shares transferred to the Investor Education and Protection Fund (IEPF) pursuant to IEPF Rules.

### b. Composition

As on March 31, 2023, followings were the members of the Stakeholder's Relationship Committee / Shareholders' / Investors' Grievance Committee:

Sr. No.	Name of the Member	Designation	Committee Position
1	Mr. Mukesh S. Chowdhary	Non-Executive Independent Director	Chairman
2	Mr. Mahendra R. Shah	Chairman and Wholetime Director	Member
3	Mrs. Pushpa M. Shah	Executive Director	Member
3	Ms. Saloni G. Hurkat <sup>1</sup>	Company Secretary and Compliance Officer	Member

<sup>1</sup> Hetal Koradia resigned w.e.f. May 30, 2023 and Ms. Saloni Hurkat appointed w.e.f. August 24, 2023.

### c. Meetings and Attendance

During the financial year ended on March 31, 2024, one committee meeting was held on June 14, 2023. All the committee members attended the said meeting.

# CORPORATE GOVERNANCE REPORT

## d. Status of Complaints

There were no pending investor's complaints at the beginning of the financial year. However, no investor's complaints received during the quarter ended on June 30, 2023, one received for September 30, 2023, two received for December 31, 2023 and two for the quarter ended March 31, 2024. All complaint resolved within time frame. Accordingly, there remains no investor complaint unresolved as on March 31, 2024.

## 7. Corporate Social Responsibility Committee

### a. Brief of Terms of Reference

Terms of Reference of the Committee inter alia include the following:

- Formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013.
- Recommend the amount of expenditure to be incurred on the CSR activities.
- Approve Corporate Sustainability Reports and oversee the implementation of sustainability activities.
- Monitor the CSR activities undertaken by the Company.

The detailed terms of reference of the Committee is available on the website of the Company.

## 8. General Body Meetings

### a. Dates, time and places of last three Annual General Meetings (AGMs) held are given below:

AGM	Place	Date	Time	No. of Special Resolution(s) set out at AGM
2022-23 31 <sup>st</sup> AGM	Through Video Conferencing (VC) or Other Audio Visual Means (OAVM) at the Registered office	Friday, September 29, 2023	12:00 p.m. (IST)	2
2021-22 30 <sup>th</sup> AGM	Through Video Conferencing (VC) or Other Audio Visual Means (OAVM) at the Registered office	Monday, September 24, 2022	11:30 a.m. (IST)	1
2020-21 29 <sup>th</sup> AGM	Through Video Conferencing (VC) or Other Audio Visual Means (OAVM) at the Registered office	Monday, September 22, 2021	11:30 a.m. (IST)	3

**a. Whether any special resolution(s) passed in the previous three annual general meetings: Yes,** details as per point (a.) above.

### b. Whether any special resolution(s) passed last year through postal ballot:

Mr. Kamlesh M. Shah, proprietor of M/s. Kamlesh M. Shah & Co., practicing company secretary was appointed as scrutinizer for conducting the postal ballot voting process for the resolution(s) passed vide postal ballot during the year. The brief particulars of resolution(s) passed by way of postal ballot during the year are given herein below:



# CORPORATE GOVERNANCE REPORT

Sr. No.	Brief particulars of special resolution	Postal ballot notice date	Voting period	Date of passing of resolution
1	Appointment of Tarachand Roopchand Jain (DIN-01248954) as an Independent director pursuant to section 149, 150 of the companies act read with SEBI LODR 2015	December 12, 2023	December 22, 2023 to January 20, 2024	January 20, 2024

The above resolution was duly passed with the requisite majority. The details of voting pattern are given herein below:

## 1. Appointment of Tarachand Roopchand Jain (DIN-01248954) as an Independent director pursuant to section 149, 150 of the Companies act read with SEBI LODR 2015

Resolution required: (Ordinary / special)	Ordinary resolution
Whether promoter / promoter group are interested in the agenda / resolution ?	No

Category of shareholder	Mode of voting	No. of shares held	No. of votes polled	% of votes polled on outstanding shares	No. of votes in favour	No. of votes against	% of votes in favour on votes polled	% of votes against on votes polled
		(1)	(2)	(3) = [(2)/(1)] *100	(4)	(5)	(6) = [(4)/(2)] *100	(7) = [(5)/(2)] *100
Promoter and promoter group	E-voting	11,77,77,020	-	-	-	-	-	-
	Poll		-	-	-	-	-	
	Postal ballot		117777020	100	117777020	-	100.00	-
	<b>Sub-total</b>		117777020	100	117777020	-	100.00	-
Public – institutions	E-voting	15,15,000	<b>1,17,75,08</b>	<b>299.98</b>	<b>1,17,75,082</b>	-	<b>100.00</b>	-
	Poll		-	-	-	-	-	
	Postal ballot		-	-	-	-	-	
	<b>Sub-total</b>		-	-	-	-	-	
Public – non institutions	E-voting	3,96,32,030	-	-	-	-	-	-
	Poll		-	-	-	-	-	
	Postal ballot		10569870	26.67	10569870	-	100.00	-
	<b>Sub-total</b>		10569870	26.67	10569870	-	100.00	-
<b>Grand total</b>		<b>158924050</b>	<b>128346890</b>	<b>128346890</b>	<b>128346890</b>	-	<b>100.00</b>	-

(Zero invalid vote)

### d. Whether any special resolution(s) passed last year via Extra Ordinary General Meeting

Mr. Kamlesh M. Shah, proprietor of M/s. Kamlesh M. Shah & Co., practicing company secretary was appointed as scrutinizer for conducting the postal ballot voting process for the resolution(s) passed at the Extraordinary General Meeting (EOGM) of the Shareholders during the year. The brief particulars of resolution(s) passed by way of postal ballot during the year are given herein below

# CORPORATE GOVERNANCE REPORT

Sr. No	Brief particulars of special resolution	EOGM notice date	Voting period	Date of passing of resolution
1	Issue of Equity Shares on a preferential basis to the Person belonging to Non Promoter Category	March 19, 2024	April 8, 2024 to April 10, 2024.	April 11, 2024
2	2.1 To approve special rights granted to “JFE Shoji India Private Limited” in accordance with Regulation 31B of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI LODR Regulations”).  2.2 To approve for the adoption of the amended and restated Articles of Association of the Company.	April 22, 2024	May 11, 2024 to May 14, 2024	May 15, 2024

The above resolution was duly passed with the requisite majority. The details of voting pattern are given herein below:

## 1. Issue of Equity Shares on a preferential basis to the Person belonging to Non Promoter Category

Resolution required: (Ordinary / special)	Ordinary resolution
Whether promoter / promoter group are interested in the agenda / resolution ?	No

Category of shareholder	Mode of voting	No. of shares held	No. of votes polled	% of votes polled on outstanding shares	No. of votes in favour	No. of votes against	% of votes in favour on votes polled	% of votes against on votes polled
		(1)	(2)	(3) = [(2)/(1)] *100	(4)	(5)	(6) = [(4)/(2)] *100	(7) = [(5)/(2)] *100
Promoter and promoter group	E-voting	117750820	117750820	85.54	117750820	-	100	-
	Poll		-	-	-	-	-	
	Postal ballot		-	-	-	-	-	
	<b>Sub-total</b>		-	-	-	-	-	
Public – institutions	E-voting	4193200	-	-	-	-	-	-
	Poll		-	-	-	-	-	
	Postal ballot		-	-	-	-	-	
	<b>Sub-total</b>		-	-	-	-	-	
Public – non institutions	E-voting	36980030	16209399	68.87	25471722	80	99.99	0.0003
	Poll		-	-	-	-	-	
	Postal ballot		-	-	-	-	-	
	<b>Sub-total</b>		-	-	-	-	-	
<b>Grand total</b>		<b>158924050</b>	<b>126198222</b>	<b>79.40</b>	<b>126198222</b>	<b>80</b>	<b>99.99</b>	<b>0.0001</b>

(Zero invalid vote)

# CORPORATE GOVERNANCE REPORT

## 2.1 To approve special rights granted to “JFE Shoji India Private Limited” in accordance with Regulation 31B of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI LODR Regulations”).

Resolution required: (Ordinary / special)	Ordinary resolution
Whether promoter / promoter group are interested in the agenda / resolution ?	No

Category of shareholder	Mode of voting	No. of shares held	No. of votes polled	% of votes polled on outstanding shares	No. of votes in favour	No. of votes against	% of votes in favour on votes polled	% of votes against on votes polled
		(1)	(2)	(3) = [(2)/(1)] *100	(4)	(5)	(6) = [(4)/(2)] *100	(7) = [(5)/(2)] *100
Promoter and promoter group	E-voting	117750820	117750820	100	117750820	-	100	-
	Poll		-	-	-	-	-	-
	Postal ballot		-	-	-	-	-	-
	<b>Sub-total</b>		-	-	-	-	-	-
Public – institutions	E-voting	4193200	-	-	-	-	-	-
	Poll		-	-	-	-	-	-
	Postal ballot		-	-	-	-	-	-
	<b>Sub-total</b>		-	-	-	-	-	-
Public – non institutions	E-voting	36980030	16209399	43.83	16209399	-	100	-
	Poll		-	-	-	-	-	-
	Postal ballot		-	-	-	-	-	-
	<b>Sub-total</b>		-	-	-	-	-	-
<b>Grand total</b>		<b>158924050</b>	<b>133960219</b>	<b>84.29</b>	<b>133960219</b>	<b>-</b>	<b>100</b>	<b>-</b>

(Zero invalid vote)

# CORPORATE GOVERNANCE REPORT

## 2.2 To approve for the adoption of the amended and restated Articles of Association of the Company.

Resolution required: (Ordinary / special)	Ordinary resolution
Whether promoter / promoter group are interested in the agenda / resolution ?	No

Category of shareholder	Mode of voting	No. of shares held	No. of votes polled	% of votes polled on outstanding shares	No. of votes in favour	No. of votes against	% of votes in favour on votes polled	% of votes against on votes polled
		(1)	(2)	(3) = [(2)/(1)] *100	(4)	(5)	(6) = [(4)/(2)] *100	(7) = [(5)/(2)] *100
Promoter and promoter group	E-voting	117750820	117750820	100	117750820	-	100	-
	Poll		-	-	-	-	-	-
	Postal ballot		-	-	-	-	-	-
	<b>Sub-total</b>		-	-	-	-	-	-
Public – institutions	E-voting	4193200	-	-	-	-	-	-
	Poll		-	-	-	-	-	-
	Postal ballot		-	-	-	-	-	-
	<b>Sub-total</b>		-	-	-	-	-	-
Public – non institutions	E-voting	36980030	16209399	43.83	16209399	-	100	-
	Poll		-	-	-	-	-	-
	Postal ballot		-	-	-	-	-	-
	<b>Sub-total</b>		-	-	-	-	-	-
<b>Grand total</b>		<b>158924050</b>	<b>133960219</b>	<b>84.29</b>	<b>133960219</b>	<b>-</b>	<b>100</b>	<b>-</b>

(Zero invalid vote)

**e. Person who conducted the postal ballot exercise: Please refer Point c. above.**

**f. Whether any special resolution is proposed to be conducted through postal ballot:**

No special resolution is proposed to be conducted through postal ballot in the ensuing annual general meeting.

**g. Procedure for postal ballot**

Not applicable since there is no proposal to pass any resolution through postal ballot in the ensuing annual general meeting..

## 7. Means of Communication

The annual, half yearly and quarterly results are submitted to the stock exchange(s) in accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same are normally published in “Economic Times / Business Standard” and “Navgujarat Samay / Jai Hind” newspaper publications or such other newspaper publications as decided. Management



# CORPORATE GOVERNANCE REPORT

discussion and analysis report forms part of the annual report of the Company. All vital information relating to the Company viz. report on corporate governance, financial results, shareholding pattern, stock exchange submissions etc. are simultaneously posted on Company's website viz. [www.arfin.co.in](http://www.arfin.co.in).

Further, financial results, shareholding pattern, quarterly corporate governance report, corporate announcements etc. are also being uploaded on the website of the Bombay Stock Exchange, where the equity shares of the Company are listed. Official news releases, as and when required are displayed at the website of the Company at [www.arfin.co.in](http://www.arfin.co.in). Quarterly presentations in the form of investor updates are also being uploaded on the website of the Company.

## Designated exclusive email-ids:

The Company has designated the following email-ids exclusively for investor servicing:

- (i) For Investor Grievances and Queries:- [investors@arfin.co.in](mailto:investors@arfin.co.in), [cs@arfin.co.in](mailto:cs@arfin.co.in)
- (ii) For queries related to financial statement: - [tarun.acharya@arfin.co.in](mailto:tarun.acharya@arfin.co.in)

## 8. General Shareholders Information

### 9. Annual General Meeting

Date: Saturday, September 14, 2024  
Time: 11:30 A.M.  
Venue: Video Conference / Other Audio Visual Means  
Book Closure Date: September 8, 2024 To September 14, 2024.

### b. Financial Year / Calendar

(a)	First Quarter Results	Within 45 days from the closure of quarter ended on June 30, 2023
(b)	Second Quarter Results	Within 45 days from the closure of quarter and half year ending on September 30, 2023
(c)	Third Quarter Results	Within 45 days from the closure of quarter and nine months ending on December 31, 2023
(d)	Results for the Financial Year	Within 60 days from the closure of quarter / financial year ending on March 31, 2024

### b Dividend Payment Date

The Board of Directors of the Company has not recommended any dividend for the financial year ended on March 31, 2024.

### c. Listing on Stock Exchanges

Sr. No.	Name of the Exchange	Address	Script Code
1	BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001, Maharashtra, India.	539151

ISIN: INE784R01023

The listing fee has been duly and timely paid to the Stock Exchanges for the financial year under report.

# CORPORATE GOVERNANCE REPORT

## d. Stock (Scrip) Code:

Please refer Point (d.) above

## f. Market Price Data

Month(s)	Price of Equity Shares of the Company at BSE		
	High (₹)	Low (₹)	Volume (No. of Shares)
April 2023	22.08	19.32	335766
May 2023	28	20.25	4335619
June 2023	34.1	24.35	4970423
July 2023	43	30.5	6390754
August 2023	54.68	38	2836974
September 2023	42.25	36.85	3199769
October 2023	43.25	37.69	2470357
November 2023	43	38.51	1158898
December 2023	54.65	39.65	2014004
January 2024	57.9	47.17	2129089
February 2024	60.5	47	2795293
March 2024	62.7	50	3317660

(Source: Bombay Stock Exchange Portal)

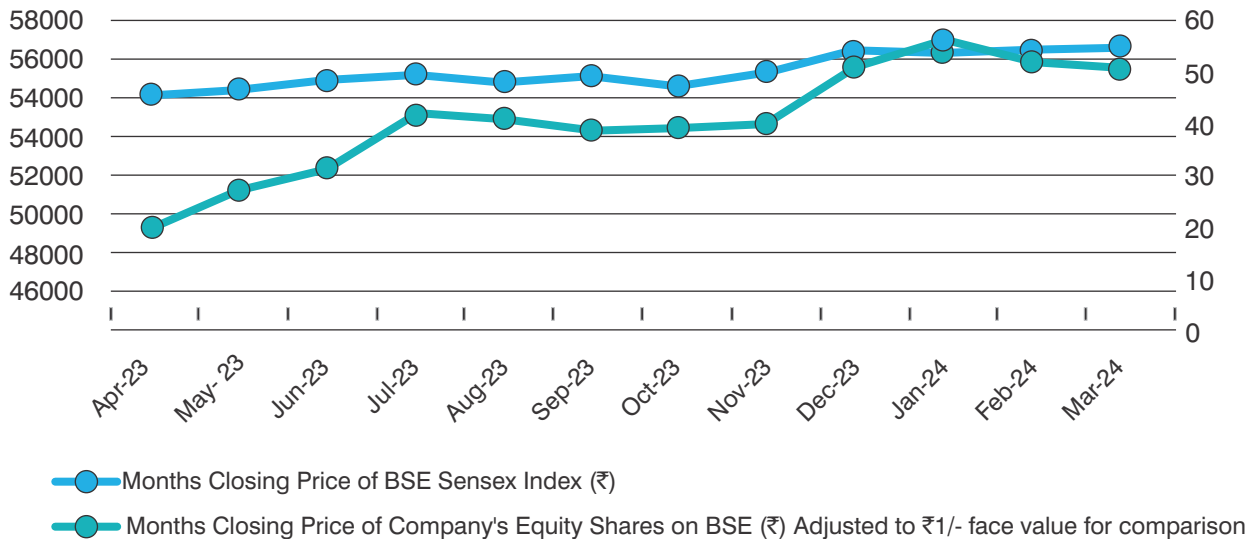
## f. Performance in Comparison to Broad - Based Indices

Month(s)	Months Closing Price of BSE Sensex Index (₹)	% Increase / (Decrease) in Compare to Previous Month	Month Closing Prices of Company's Equity Shares on BSE (₹) Adjusted to ₹1/- Face Value for Comparison	% Increase / (Decrease) in Compare to Previous Month
April 2023	61112.44	3.59	20.37	1.64
May 2023	62622.24	2.47	27.50	35.00
June 2023	64718.56	3.35	31.88	15.93
July 2023	66527.67	2.79	42.09	32.02
August 2023	64831.41	(2.55)	41.51	(1.38)
September 2023	65828.41	1.54	39.28	(5.37)
October 2023	63874.93	(2.97)	39.61	0.84
November 2023	66988.44	4.87	40.49	02.22
December 2023	72240.26	7.84	51.21	26.47
January 2024	71752.11	0.67	56.23	9.80
February 2024	72500.30	1.04	52.57	(6.51)
March 2024	73651.35	1.58	51.18	(2.64)

(Source: Bombay Stock Exchange Portal)

# CORPORATE GOVERNANCE REPORT

## Performance in Comparison to Broad - Based Indices



### g. Suspension of Securities

During the financial year under report and during any of the previous financial years, the securities of the Company were never suspended from trading on any of the stock exchange(s).

### h. Registrar and Share Transfer Agent

The Company has appointed MCS Share Transfer Agent Limited as registrar and share transfer agent during April 2018. The communication address of the registrar and share transfer agent is as stated below:

#### Registered Office

MCS Share Transfer Agent Limited  
3B3, 3<sup>rd</sup> Floor, B-Wing,  
Gudecha Onclave Premises Co-op. Society Ltd.,  
Saki Vihar Road, Saki Naka, Kherani Road, Saki Naka,  
Andheri (E), Mumbai - 400 072  
Tel. No.: 022 - 28516021 / 6022 / 46049717  
Email: [helpdeskmum@mcsregistrars.com](mailto:helpdeskmum@mcsregistrars.com)  
Website: [www.mcsregistrars.com](http://www.mcsregistrars.com)

#### Ahmedabad Office

MCS Share Transfer Agent Limited  
201, 2<sup>nd</sup> Floor, Shatdal Complex,  
Ashram Road, Ahmedabad – 380009,  
Gujarat, India.  
Tel. No.: +91 79 26580461 / 62 / 63  
Email: [mcsstaahmd@gmail.com](mailto:mcsstaahmd@gmail.com)

# CORPORATE GOVERNANCE REPORT

## i. Share Transfer System

All works related to Share Registry, both in physical form and electronic form is being handled by the Company's Registrar and Share Transfer Agent i.e. MCS Share Transfer Agent Limited and their contact details are given above.

## j. Dematerialization of Shares

Arfin's shares are tradable in the electronic form only. As on March 31, 2024, 99.92% of our shares were held in dematerialized form and the rest in physical form.

The SEBI, effective April 01, 2019, barred physical transfer of shares of listed companies and mandated transfers only through demat. However, investors are not barred from holding shares in physical form.

We request shareholders whose shares are in physical mode to dematerialize their shares and update their bank accounts and email IDs with the respective depository participants to enable us to provide better service.

## k. Distribution of Shareholding as at March 31, 2024

No. of Equity Shares Held	No. of Shareholders	% of Shareholders	No. of Equity Shares Held	% of Shareholding
Upto 500	4756	75.70	535298	0.33
501 To 1,000	548	8.72	462127	0.29
1,001 To 2,000	344	5.48	530112	0.33
2,001 To 3,000	113	1.80	295916	0.19
3,001 To 4,000	80	1.27	288255	0.19
4,001 To 5,000	60	0.95	289376	0.19
5,001 To 10,000	138	2.20	1033799	0.65
10,001 To 50,000	152	2.42	3199610	2.01
50,001 To 1,00,000	31	0.49	2184748	1.37
1,00,001 above	61	0.97	150104809	94.45
<b>Total</b>	<b>6283</b>	<b>100.00</b>	<b>158924050</b>	<b>100.00</b>

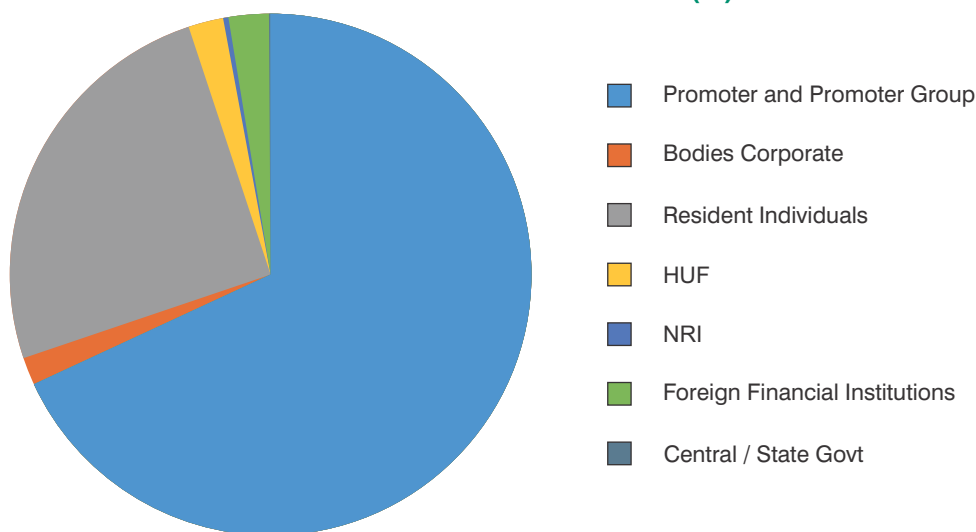
## Category of Shareholders as at March 31, 2024

Category	No. of Shareholders	% of Shareholders	No. of Equity Shares Held	% of Shareholding
<b>A. Promoter and Promoter Group</b>	10	0.16	10,87,50,820	68.43
<b>B. Public Shareholding</b>				
(a) Bodies Corporate	18	0.29	24,06,639	01.51
(b) Resident Individuals	6074	96.68	3,97,41,507	25.01
(c) HUF	136	2.16	34,31,309	02.16
(d) NRI	42	0.67	4,00,575	00.35
(e) Foreign Financial Institutions	1	0.02	40,70,000	02.56
(f) Central / State Govt	2	0.02	1,23,200	00.07
<b>Total</b>	<b>6283</b>	<b>100.00</b>	<b>15,89,24,050</b>	<b>100.00</b>



# CORPORATE GOVERNANCE REPORT

## SHAREHOLDING PATTERN (%)



### I. Break up of Shares in Physical and Demat Form as at March 31, 2024

Particulars	No. of Equity Shares	% of Shares
Physical Segment	1,30,800	0.08
Demat Segment		
• CDSL	13,82,06,378	71.97
• NSDL	2,05,86,872	27.95
<b>Total</b>	<b>15,89,24,050</b>	<b>100</b>

The Company's equity shares have been allotted ISIN (INE784R01023) both by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL).

### m. Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any Convertible Instruments, Conversion Date and Impact on Equity

During the financial year under report, the Company has neither issued any of the securities namely global depository receipts or American depository receipts or warrants or any other convertible instruments nor the Company had any such securities outstanding throughout the year.

### n. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

The Company considers exposure to commodity price fluctuations to be an integral part of its business and its usual policy is to sell its products at prevailing market prices and not to enter into price heading arrangements. The Company's reputation for quality, products differentiation and service, coupled with existence of brand image with marketing network mitigates the impact of price risk on finished goods.

# CORPORATE GOVERNANCE REPORT

## o. Plant Location

Chhatral Plant	Vadaswami Plant
118/1,2,3,4 & 117/P-3,6,7, Ravi Industrial Estate, Behind Hotel Prestige, Billeshwarpura, Taluka – Kalol, District – Gandhinagar, Chhatral – 382729, Gujarat, India	Survey No. 238, B/h Bhagwati Glass, Vadaswami, Taluka – Kalol, District – Gandhinagar – 382729, Gujarat, India.
	Dhanot Plant
	New Block No. 132/P (Old Block No. 75), Old Survey No. 77,78,79, Village: Dhanot, Taluka: Kalol, District – Gandhinagar, Gujarat, India.

## p. Address of Correspondence

Company	Registrar and Share Transfer Agent
Company Secretary and Compliance Officer Arfin India Limited Plot No.117, Ravi Industrial Estate, Behind Prestige Hotel, Billeshwarpura, Chhatral, Gandhinagar-382729, Gujarat, India. Tel. No.: +91 2764 232621 Email: <a href="mailto:investors@arfin.co.in">investors@arfin.co.in</a> , <a href="mailto:cs@arfin.co.in">cs@arfin.co.in</a> Website: <a href="http://www.arfin.co.in">www.arfin.co.in</a>	<b>MCS Share Transfer Agent Limited</b>  101, Shatdal Complex, Opp. Bata Show Room Ashram Road, Ahmedabad-380009, Gujarat, India. Tel. No.: +91 79 26580461 / 62 / 63 Email: <a href="mailto:mcsstaahmd@gmail.com">mcsstaahmd@gmail.com</a> Website: <a href="http://www.mcsregistrars.com">www.mcsregistrars.com</a>

**q. Credit Rating** The Company has CARE BBB-; Stable (Triple B Minus; Outlook: Stable) and CARE BBB-; Stable / CARE A3 (Triple B Minus; Outlook: Stable / A Three) rating for the long-term and short-term bank facilities as at March 31, 2024 respectively.

## 10. Others Disclosures

### a. Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large:

All transaction entered into by the Company with Related Parties during the Financial Year 2023-24 are in ordinary course of business and on arm's length basis. The Company had not entered any materially significant Related Party Transactions i.e. transaction of the Company of material nature with its Promoters / Director / Senior Employees or relatives etc., which could have a potential conflict with the interest of Company at large. The Audit Committee reviews at least on a quarterly basis, the details of related party transactions entered into by the Company.

# CORPORATE GOVERNANCE REPORT

- b. Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the Board or any statutory authority, on any matter related to capital markets, during the last three years:**

Financial Year	Penalty Paid / Imposed (₹ in Lakhs)	Nature of Non-Compliance / Non-Compliance Under Which Regulations
2020-21	-	Not Applicable
2021-22	-	Not Applicable
2022-23	As mentioned*	Not Applicable

\*According to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020, the exchange imposed fine / penalty amounting of Rs. 2,000/- regarding Non-Compliance with regard to requirement to Late submission of Shareholding Pattern for March 2024 quarter which was though submitted in time but due to typographical error the date of quarter instead of 31/03/2024 was mentioned as 31/03/2023. The same was immediately rectified coming to notice of the company, but the correct submission was delayed by 2 days. The Company has made clarification to the Exchange by mail and requested for waiver of such penalty however Penalty of Rs.2000/-imposed by BSE Ltd. The waiver was not granted and the company has paid the fine of Rs 2,000 on May 31, 2024.

- c. Details of establishment of Vigil Mechanism, Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee:**

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013, Rules framed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Vigil Mechanism / Whistle Blower Policy for Directors and Employees have already been established and the same is in place.

Mr. Mahendra R. Shah, Wholetime Director and Mr. Jatin M. Shah, Managing Director of the Company do hereby affirm that no personnel are being denied access to the Chairman of the Audit Committee and to the Chairman of the Board of Directors of the Company to report genuine concerns in this regard.

- d. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:**

The Board periodically reviewed the compliance of all the applicable Laws and the steps were taken by the Company to rectify instances of non-compliance, if any. During the year, the Company has complied with all the mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable.

The status of compliance with discretionary recommendations of Regulation 27 of the Listing Regulations is provided below:

- 1. Shareholder's Right:** As the quarterly and half yearly financial performance along with significant events are published in the newspapers and are also posted on the Company's website, the same are not being sent to the shareholders.
- 2. Modified Opinion in Auditors Report:** The Company's financial statement for the financial year 2023-24 does not contain any modified audit opinion.
- 3. Separate posts of Chairman and Managing Director:** The position of the Chairman is held by Mr. Mahendra R. Shah and of the Managing Director is held by Mr. Jatin M. Shah.

# CORPORATE GOVERNANCE REPORT

- 4. Reporting of Internal Auditor:** The Internal Auditor of the Company directly reports to the Audit Committee on functional matters.
- e. The Company doesn't have any subsidiaries and thus it has not adopted any policy for determination of material subsidiaries.**
- f. Web link of the policy on dealing with related party transactions is as follow:**  
<http://arfin.co.in/pdf/policies-disclosures/related-party-transactions-policy.pdf>
- g. Disclosure of commodity price risks and commodity hedging activities:**  
Please refer point 8 (o.) above.
- h. During the year under review, there was no preferential allotment or qualified institutional placement as specified under Regulation 32(7A) of the Listing Regulations.**  
Arfin India Limited (“Arfin”) and JFE Shoji India (a group company of JFE Holdings) (“JFE”) have entered into investment agreement wherein JFE has invested 52,49,99,986.56 in Arfin against 97,98,432 equity shares were allotted at an issue price of 53.58 (including a premium of 52.58) to JFE through preferential allotment. The date of allotment of equity shares is April 16, 2024 (i.e. Event after balance sheet date March 31, 2024).
- i. Certificate from Company Secretary in Practice:** M/s. Kamlesh M. Shah & Co, Practicing Company Secretaries, has issued a certificate as required under the Listing Regulations, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Director of companies by the SEBI / Ministry of Corporate Affairs or such other statutory authority. The certificate is enclosed with this Section as Annexure – A.
- j. All the recommendations, if any, of the various committees were accepted by the Board.**
- k. During the year, details of fees paid / payable to the Statutory Auditors and all entities in the network firm / network entity of which the Statutory Auditor is a part, by the Company and its subsidiaries, are given below:**

Particulars	₹ In Lakhs*
Statutory Audit Fees	3.50
Tax Audit Fees	0.25
Other Services	0.10
<b>Total Payment</b>	<b>3.85</b>

\*The above fees are exclusive of applicable tax.

# CORPORATE GOVERNANCE REPORT

## I. Disclosure in relation to the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has always believed in providing a safe and harassment-free workplace for every individual working in the Company. The Company has complied with the applicable provisions of the aforesaid Act and the Rules framed thereunder, including constitution of the Internal Complaints Committee (ICC). The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the same is available on the Company's website at following web link: <http://arfin.co.in/pdf/policies/prevention-of-sexual-harassment-policy.pdf>

### Status of Complaints as on March 31, 2024:

Sr. No.	Particulars	Number of Complaints
1	Number of Complaints Filed During the Financial Year	NIL
2	Number of Complaints Disposed off During the Financial Year	N.A.
3	Number of Complaints Pending at the End of the Financial Year	N.A.

## 11. Non-Compliance of any requirement of Corporate Governance Report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed

The Company has complied with all the provisions of corporate governance related to the matters enumerated in the point 2 to 10 above to the extent applicable. The Company has provided relevant explanation of each point of this report.

## 12. Compliance with Discretionary Requirements under Listing Regulations

Please refer point 10 above.

## 13. Disclosures of Requirements of Corporate Governance specified in Regulation 17 to 27 and Clause (b) to (i) of Sub-Regulation (2) of Regulation 46

The Company is in compliance with the corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-Regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (Listing Regulations) for the financial year ended on March 31, 2024, to the extent applicable.

## 14. Declaration signed by the Managing Director stating that the Members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management

The Board of Directors has adopted a Code of Conduct and Policy for the Directors and Senior Management Personnel. This code is a comprehensive code applicable to all Executives as well as Non-Executive Directors and members of the senior management. A copy of the code has been hosted on the Company's website at web link: <http://www.arfin.co.in/code-conduct.html>.

The code has been circulated to all the members of the board and senior management personnel and compliance of the same has been affirmed by them. A declaration signed by the Managing Director in this regard is given below:



# CORPORATE GOVERNANCE REPORT

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“I hereby confirm that the Company has obtained from all the members of the board and senior management personnel of the Company, affirmation(s) that they have complied with the Code of Ethics and Business Conduct framed for Directors and senior management personnel in respect to the financial year ended on March 31, 2024.”

**For Arfin India Limited**

**Jatin M. Shah**

(Managing Director)

(DIN: 00182683)

Place: Chhatral

Date: August 03, 2024

## **15. Compliance Certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance**

A certificate from Statutory Auditors of the Company regarding compliance of conditions of corporate governance has been attached as an Annexure – 5 to the Directors' report.

## **16. Disclosure with respect to Demat Suspense Account / Unclaimed Suspense Account**

**a. aggregate number of shareholders and the outstanding shares lying in the suspense account at the beginning of the year: Nil**

**b. number of shareholders who approached listed entity for transfer of shares from suspense account during the year: Nil**

**c. number of shareholders to whom shares were transferred from suspense account during the year: Nil**

**d. aggregate number of shareholders and the outstanding shares lying in the suspense account at the end of the year: Nil**

**e. that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: Not Applicable**

**For and on Behalf of the Board of Directors**

**Mahendra R. Shah**

(Chairman)

(DIN: 00182746)

Place: Chhatral

Date: August 03, 2024

## ANNEXURE-A

### Certificate of Non-Disqualification of Directors

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

To,  
Members,  
**Arfin India Limited,**  
Plot No. 117, Ravi Industrial Estae,  
Behind Prestige Hotel, Billeshwarpura,  
Chhatral, Gandhinagar-382729,

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Arfin India Limited** bearing CIN: L65990GJ1992PLC017460 and having its registered office at Plot No. 117, Ravi Industrial Estate, Behind Prestige Hotel, Billeshwarpura, Chhatral, Gandhinagar, 382 729 Gujarat State, 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.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal ([www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended March 31, 2024 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	Disqualified Under Section 164 of Companies Act, 2013	Deactivation of DIN Due to Non Filing of DIR-3 KYC
1	Mahendra R. Shah Chairman and Whole Time Director	00182746	N.A.	N.A.
2	Jatin M. Shah Managing Director	00182683	N.A.	N.A.
3	Pushpaben M. Shah Executive Director	00182754	N.A.	N.A.
4	Mukesh S. Chowdhary Non Executive Independent Director	00025877	N.A.	N.A.
5	Hardik S. Hundia Non Executive Independent Director	02022246	N.A.	N.A.
6	*Jitendra S. Shah Non Executive (Resigned w.e.f 25/11/2023) Independent Director	08781998	N.A.	N.A.
7	*Tarachand Roopchand Jain Non-Executive Independent Director (Appointed w.e.f.25/11/2023)	01248594	N.A.	N.A.

# CORPORATE GOVERNANCE REPORT

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- Note: (1) List of Directors as on March 31, 2024 as per [www.mca.gov.in](http://www.mca.gov.in) website and as per records of the BSE Limited Corporate Information.
- (2) During the year Previous Company secretary Ms. Hetal Koradia had resigned w.e.f. 30th May 2023. The Company had appointed in her Place Ms. Saloni Ghanshyam Hurkat w.e.f. 24th August 2023.
- (3) The Company has appointed Mr. Pawan Kumar Lohiya, as Chief Financial Officer of the Company w.e.f. 18/07/2022 and he resigned w.e.f. closing of business hours of 19/06/2024.

Ensuring the eligibility of 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 of records of [www.mca.gov.in](http://www.mca.gov.in) and declarations submitted before us for every director.

**For Kamlesh M. Shah & Co.,**  
Practicing Company Secretary

Place: Ahmedabad  
Date: May 16, 2024  
UDIN: A008356F000380981

**Kamlesh M. Shah**  
(Proprietor)  
(ACS: 8356, COP: 2072)

## CERTIFICATE BY MD & CFO

To,  
The Board of Directors,  
**Arfin India Limited**

We, Mr. Jatin M. Shah, Managing Director and Mr. Pawankumar Lohiya, Chief Financial Officer of the Company, do hereby certify that on the basis of the review of the financial statements and the cash flow statement of Arfin India Limited for the financial year ended on March 31, 2024 and that to the best of our knowledge and belief, we state that:

- a.
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading; and
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
- b. there are no transactions entered into by the Company during the financial year which are fraudulent, illegal or in violation of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
- d. We have indicated to the auditors and the audit committee:
  - i. significant changes, if any, in the internal control over financial reporting during the financial year;
  - ii. significant changes, if any, in accounting policies made during the financial year and that the same have been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which we have become aware 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.

**For and on Behalf of the Board of Directors**

Sd/-

**Jatin M. Shah**  
(Managing Director)  
(DIN: 00182683)

Sd/-

**Pawan Kumar Lohiya**  
(Chief Financial Officer)  
(PAN: ABVPL9064D)

Place: Chhatral  
Date: May 20, 2024

# INDEPENDENT AUDITORS' REPORT

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To  
**The Members of  
Arfin India Limited**

**CIN: L65990GJ1992PLC017460**

**Report on the Audit of Ind AS Financial Statements**

## Opinion

We have audited the accompanying Ind AS financial statements of **Arfin India Limited** ("the Company"), which comprise the Balance Sheet as at **March 31, 2024**, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the 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 Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit including other comprehensive income, its cash flows and the changes in equity 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Information other than the Financial Statements and Auditors Report thereon

The company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report including annexures to the board's report, Management discussion and analysis, Corporate governance and shareholder's information, but does not include the Ind AS financial statements and our Auditor's report thereon.

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

In connection with our audit of the Ind As financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on work we have performed, we conclude that there is material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

## 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



# INDEPENDENT AUDITORS' REPORT

preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Amendment Rules, 2014 and the Companies (Indian Accounting Standards) Amendment Rules, 2021. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

## Auditor's Responsibilities for the Audit of the Financial Statements

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 the Standards on Auditing (SAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(l) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to

# INDEPENDENT AUDITORS' REPORT

events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern; and

- 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 believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

We communicate with those charged with governance of the Company of which we are the independent auditors 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative

factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

## 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, we give in the "Referred to in Paragraph 1 -1" **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 accounts 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, Statement of Profit and Loss including Other Comprehensive Income and the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of written representations received from the Directors as on March 31, 2024, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2024, from being appointed as a Director in terms of

# INDEPENDENT AUDITORS' REPORT

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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-2" to this report;
- (g) 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. The remuneration paid to any director is not in excess of the limits laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) of the Act which are required to be commented upon by us.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 35 to the financial statements.
  - (ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses, if any.

- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

- (iv) a) No funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.

- b) No funds have been received by the company from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such 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 guarantee, security or the like on behalf of the Ultimate beneficiaries.

- c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

- (v) During the year, no dividend paid or declared by the board of directors of the company. So, Compliance of section 123 of the Act with respect to dividend

## INDEPENDENT AUDITORS' REPORT

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declared/paid during the year not applicable.

- (vi) Based on our examination, which included test check, the company has used accounting software for maintaining its books of accounts for the financial year ending March 31, 2024 which has 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 tempered with.

As proviso to rule 3(1) of Companies (Accounts) rules, 2014 is applicable from April 01, 2023, reporting under rule 11(g) of Companies (Audit and Auditors) rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

**For, Raman M Jain & Co,**

Chartered accountants

Firm Registration No. 113290W

**Raman M. Jain**

(Partner)

(Membership No.: 045790)

UDIN: 24045790BKBOBY9486

Place: Ahmedabad

Date: May 20, 2024

# INDEPENDENT AUDITORS' REPORT

## Annexure – 1 to the Independent Auditor's Report

Referred to in Paragraph 1 of report on legal & regulatory requirements of our report of even date to the members of Arfin India Limited on the Financial Statements for the year ended on March 31, 2024

### 1 In respect of Property, plant and equipment:

- a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of Property, plant & equipment's. The Company has maintained proper records showing full particulars of intangible assets, if any.
- b) As explained to us, the property, plant and equipment have been physically verified by the management during the year according to a phased program designed by the Company to cover all the items, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, property, plant and equipment have been physically verified by the management during the year and according to the information and explanations given to us, no material discrepancies have been noticed on such verification; and
- c) Based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of immovable properties other than self-constructed immovable properties, as disclosed in property, plant and equipment and investment property note to the Financial Statements, are held in the name of Company.
- d) According to the information and explanations given to us and on the basis of our examinations of the records of the Company, The Company has not revalued any of its property, plant and equipment and intangible assets during the year.

- e) According to the information and explanations given to us and on the basis of our examinations of the records of the Company, there are No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

### 2 In Respect of Inventory:

- a. In our opinion and according to the information and explanations given to us, physical verification of inventories has been conducted at reasonable intervals by the management during the year and the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
- b. According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns and statements comprising (stock statements, book debt statements, credit monitoring arrangement reports, statements on ageing analysis of the debtors / other receivables, and other stipulated financial information) filed by the Company with such banks or financial institutions are in agreement with the audited books of account of the Company, of the respective quarters, except for the following:



# INDEPENDENT AUDITORS' REPORT

₹ In Lakhs

For the Quarter Ended	Sanctioned Amount to Which Discrepancies Relates	Details of Discrepancies					Remarks (Including Subsequent Rectification, if any)
		Nature of Current Assets	Nature of Discrepancy	Amount			
				As Per Qtr. Returns	As Per Books	Difference	
June-23	8270.00	Stock & Debtors	Diff. in valuation	13209.41	13261.86	52.45	There is no material difference. It is due to change in cost valuation in some product during audit, therefore difference arises.
Sep-23	8270.00	Stock & Debtors	Diff. in Valuation	15230.59	15287.18	56.59	There is no material difference. It is due to change in cost valuation in some product during audit, therefore difference arises.
Dec-23	8270.00	Stock & Debtors	Diff. in Valuation	14329.10	14381.41	52.31	There is no material difference. It is due to change in cost valuation in some product during audit, therefore difference arises.
Mar-24	8270.00	Stock & Debtors	Diff. in Valuation	14769.55	14854.22	84.67	There is no material difference. It is due to change in cost valuation in some product during audit, therefore difference arises

- 3 According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments in or provided security to companies, firms, limited liability partnerships or any other parties during the year.

The Company has provided guarantees, granted loans and advances in the nature of loans during the year to companies firms or limited liability partnerships and other parties.

- (a) (1) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any subsidiaries entity during the year.

- (2) Based on the audit procedures carried out by us and as per the information and explanations given to us, the Company has provided guarantees and granted advances in the nature of loans to other parties as below

# INDEPENDENT AUDITORS' REPORT

Particulars	Guarantees	Advances in the Nature of Loans-Employee Advances
Aggregate Amount During the Year - Other Parties	-	19.03
Balance Outstanding as on the Balance Sheet Date - Other Parties	-	19.03

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the guarantees provided during the year and the terms and conditions of the grant of loans and advances in the nature of loans during the year are, prima facie, not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, in the case of loans and advances in the nature of loans given, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loans granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues
- of existing loans or advances in the nature of loans given to same parties.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
4. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security as specified under Section 185 of the Companies Act, 2013 ("the Act") and the Company has not provided any security as specified under Section 186 of the Act. Further, in our opinion, the Company has complied with the provisions of Section 186 of the Act in relation to loans given, guarantees provided and investments made.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits, from the public and hence the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and Rules framed thereunder, with regard to the deposits accepted from the public are not applicable to the Company.
6. We have broadly reviewed the books of accounts maintained by the Company pursuant to the Rules prescribed by the Central Government for maintenance of cost records under Sub-Section (1) of Section 148 of the Companies Act, 2013 for the business activities carried out by the Company, and we

# INDEPENDENT AUDITORS' REPORT

are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however made a detailed examination for the same with a view to determine whether they are accurate or complete.

## 7. In respect of Statutory Dues:

- (a) According to the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, GST, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other statutory dues, if any. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty and excise duty etc. were outstanding as at March 31, 2024 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of income tax, GST, service tax, value added tax, wealth tax, excise duty and cess which have not been deposited on account of any dispute except given below.

Name of Department	Nature of Dues	Amount	Period for which it relates	Forum where dispute is pending
Income Tax	Demand Assessment under Scrutiny	Rs. 62.25 Lakhs	FY 2011-12	CIT -Appeal, Ahmedabad
Income Tax	Demand under Scrutiny Assessment	Rs. 113.09 Lakhs	FY 2015-16	CIT-Appeal, Ahmedabad
Income Tax	Demand under Scrutiny Assessment	Rs. 285.87 Lakhs	FY 2016-17	CIT-Appeal, Ahmedabad

8. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
9. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

## INDEPENDENT AUDITORS' REPORT

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- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
  - (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, as defined in the Act. The Company does not hold any investment in any associate or joint venture (as defined in the Act) during the year ended March 31, 2024.
  - (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act).
10. (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- 11 (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
12. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
13. In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards
- 14 (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
15. In our opinion and according to the information and explanations given to us, the Company

# INDEPENDENT AUDITORS' REPORT

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has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

16. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clauses 3(xvi)(a) and 3(xvi)(b) of the Order are not applicable.

(b) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(c) According to the information and explanations provided to us during the course of audit, the Group does not have any CICs.

17. The Company has not incurred cash losses in the current and in the immediately preceding financial year.

18. There has been resignation of the statutory auditors of the Company during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.

19. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of

financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

20. In our opinion and according to the information and explanations given to us, there is no unspent amount towards CSR under sub-section (5) of section 135 of the Act pursuant to any project. Accordingly, reporting under clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

## Firm Registration No. 113290W

### Raman M. Jain

(Partner)

(Membership No.: 045790)

UDIN:24045790BKBOBY9486

Place: Ahmedabad

Date: May 20, 2024



# INDEPENDENT AUDITORS' REPORT

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## **Annexure - 2 to the Independent Auditor's Report**

Referred to in Paragraph 2 of report on legal and regulatory requirements of our report of even date to the members of **Arfin India Limited** on the Financial Statements for the year ended on **March 31, 2024**

## **Report on the Internal Financial Controls under clause (i) of Sub-Section 3 of Section 143 of the Act**

We have audited the Internal Financial Controls over financial reporting of **Arfin India Limited** ("the Company") as on March 31, 2024 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

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

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

Audit of Internal Financial Controls over financial reporting and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India (ICAI). Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedure to obtain audit evidences about the adequacy of the Internal Financial Control Systems over financial reporting and their operating effectiveness. Our audit of Internal Financial Control Systems over financial reporting includes 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, if any, of the Financial Statements, whether due to fraud or error.

We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Control Systems over financial reporting.

## **Meaning of Internal Financial Control Systems over Financial Reporting**

A Company's Internal Financial Control Systems 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

# INDEPENDENT AUDITORS' REPORT

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accordance with Generally Accepted Accounting Principles. A Company's Internal Financial Control Systems over financial reporting includes those policies and procedures that;

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (ii) provide reasonable assurance that the transactions are recorded as necessary to permit preparations of Financial Statements in accordance with the Generally Accepted Accounting Principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and Directors of the Company; and
- (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisitions, use or disposition of the Company's assets that could have a material effect on the Financial Statements.

## Inherent Limitations of Internal Financial Control Systems over Financial Reporting

Because of the inherent limitations of Internal Financial Control Systems 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 to be detected. Also, projections of any evaluation of the Internal Financial Control Systems over financial reporting to future periods are subject to the risk that the Internal Financial Control Systems over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

## For, Raman M. Jain & Co,

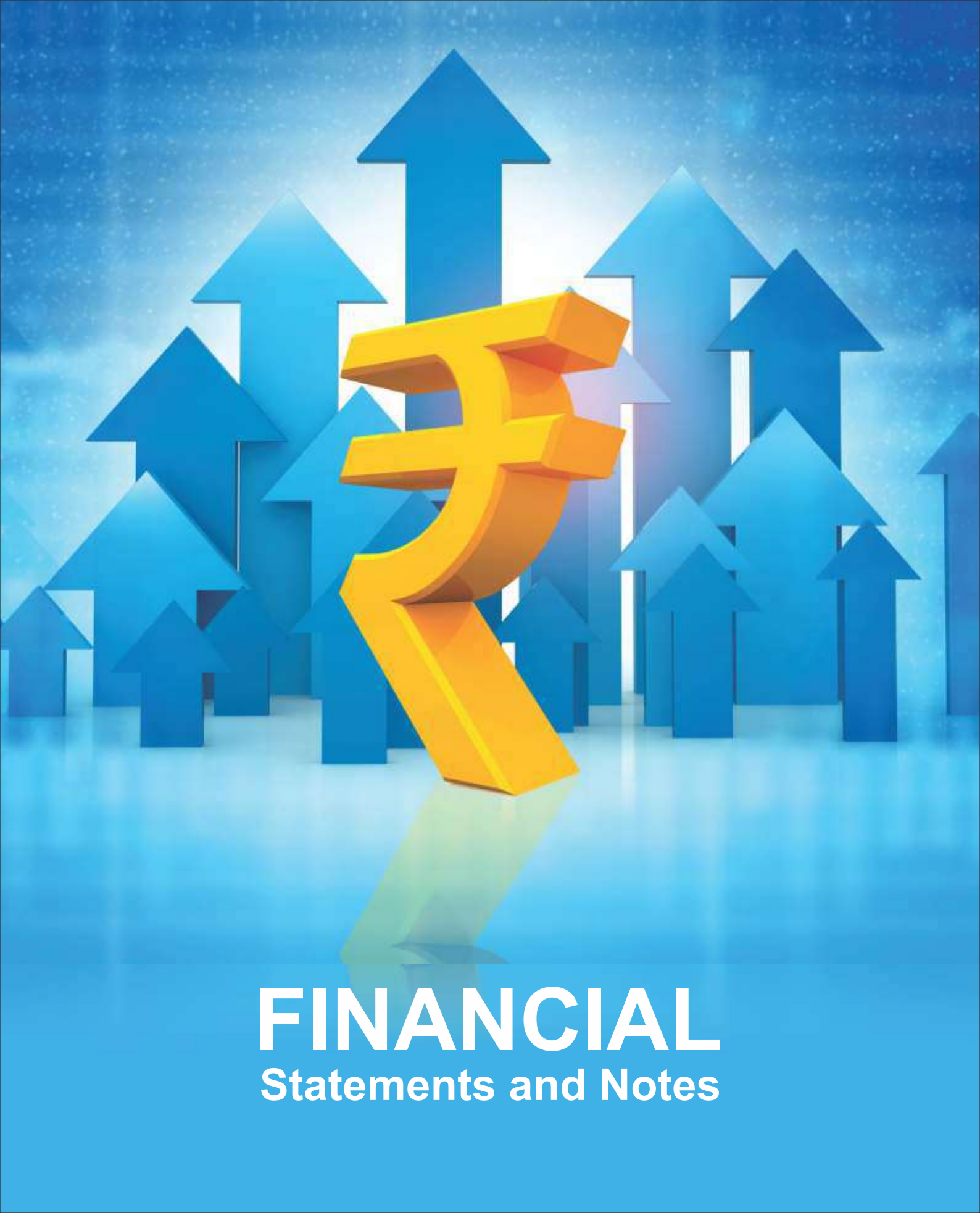
Chartered Accountants  
Firm Registration No. 113290W

## Raman M. Jain

(Partner)  
(Membership No.: 045790)  
UDIN: 24045790BKBOBY9486

Place: Ahmedabad

Date: May 20, 2024



# FINANCIAL

Statements and Notes

# BALANCE SHEET AS AT MARCH 31, 2024

₹ In Lakhs

Particulars	Note No.	As At March 31, 2024	As At March 31, 2023
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
(a) Property, Plant, Equipments And Intangible Assets			
(i) Property, Plant and Equipment	3	6,554.32	6,527.60
(ii) Capital Work-In-Progress	3	0.00	86.62
(iii) Intangible Assets		0.00	0.00
(b) Financial Assets			
(i) Investments	4	0.00	0.00
(ii) Loans	5	0.00	0.00
(iii) Others	6	82.15	84.12
(c) Other Non-Current Assets	7	27.82	53.28
		<b>6,664.29</b>	<b>6,751.62</b>
<b>CURRENT ASSETS</b>			
(a) Inventories	8	14,854.22	11,163.62
(b) Financial Assets			
(i) Investments	9	2.70	2.02
(ii) Trade Receivables	10	5,335.48	5,706.86
(iii) Cash and Cash Equivalents	11	38.29	751.19
(iv) Bank Balances other than (iii) above	12	203.72	160.17
(v) Loans	13	657.27	1,007.76
(vi) Others Current Financial Assets	14	5.32	1.04
(c) Other Current Assets	15	767.36	1,135.99
		<b>21,864.36</b>	<b>19,928.65</b>
		<b>28,528.65</b>	<b>26,680.27</b>
<b>TOTAL ASSETS</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	16	1,589.24	1,589.24
(b) Other Equity	17	8,046.67	7,219.25
		<b>9,635.91</b>	<b>8,808.49</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	18	2,785.39	3,530.49
(ii) Other Financial Liabilities		0.00	0.00
(b) Provisions	19	53.74	42.15
(c) Deferred Tax Liabilities (Net)	20	153.49	174.73
		<b>2,992.62</b>	<b>3,747.37</b>
<b>CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	21	9,186.68	7,684.40
(ii) Trade Payables	22	6,565.17	6,190.87
(iii) Other Financial Liabilities	23	8.37	90.38
(b) Other Current Liabilities	24	36.16	23.76
(c) Provisions	25	103.74	135.00
		<b>15,900.12</b>	<b>14,124.41</b>
		<b>28,528.65</b>	<b>26,680.27</b>
<b>TOTAL EQUITY AND LIABILITIES</b>			

# BALANCE SHEET AS AT MARCH 31, 2024

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Corporate Information, Basis of Preparation & Significant Accounting Policies 1-2

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The accompanying notes 1 to 58 are integral parts of the Financial Statements.  
As per our Report of even date attached

## For and on Behalf of Board of Directors

### For Raman M. Jain & Co.,

Chartered Accountants

Firm Registration No.: 113290W

### Raman M. Jain

(Partner)

(Membership No.: 045790)

UDIN: 2404579013KBOBY9486

Place: Chhatral - Gandhinagar

Date: 20-05-2024

### Mahendra R. Shah

(Chairman & Whole  
Time Director)

### Jatin M. Shah

(Managing Director)

### Pushpa M. Shah

(Executive Director)

### Pawan Kumar Lohiya

(Chief Financial Officer)

### Saloni Hurkat

(Company Secretary)



# STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

₹ In Lakhs

Particulars		Note No.	Year Ended March 31, 2024	Year Ended March 31, 2023
I	Revenue From Operations	26	53,515.59	54,411.22
II	Other Income	27	199.15	248.34
<b>III</b>	<b>Total Income (I+II)</b>		<b>53,714.74</b>	<b>54,659.56</b>
<b>IV</b>	<b>Expenses</b>			
	Cost of Materials Consumed	28	44,868.70	48,466.95
	Purchases of Stock-in-Trade		0.00	0.00
	Changes in Inventories of Finished Goods, Stock-In-Trade and Work-In-Progress	29	(245.83)	(2,031.65)
	Employee Benefits Expense	30	968.14	831.79
	Finance Costs	31	1,857.42	1,438.64
	Depreciation and Amortization Expense	3	390.53	355.14
	Other Expenses	32	4,903.99	4,500.54
	<b>Total Expenses (IV)</b>		<b>52,742.95</b>	<b>53,561.41</b>
V	Profit / (Loss) Before Exceptional Items and Tax (III-IV)		971.79	1,098.15
VI	Exceptional Items		0.00	0.00
<b>VII</b>	<b>Profit / (Loss) Before Tax (V-VI)</b>		<b>971.79</b>	<b>1,098.15</b>
VIII	Tax Expense:			
	(1) Current Tax	33	215.16	0.00
	(2) Deferred Tax	20	(65.41)	66.47
<b>IX</b>	<b>Profit / (Loss) For the Period (VII-VIII)</b>		<b>822.04</b>	<b>1,031.68</b>
<b>X</b>	<b>Other Comprehensive Income</b>			
	A (i) Items that will not be Reclassified to Profit or Loss		7.39	18.51
	(ii) Income tax relating to Items that will not be Reclassified to Profit or Loss		(2.47)	(6.18)
	B (i) Items that will be Reclassified to Profit or Loss		0.46	0.02
	(ii) Income tax relating to items that will be Reclassified to Profit or Loss		0.00	0.00
<b>XI</b>	<b>Total Comprehensive Income for the Period (IX+X) (Comprising Profit / (Loss) and Other Comprehensive Income for the Period)</b>		<b>827.42</b>	<b>1,044.03</b>
<b>XII</b>	<b>Earnings per Equity Share of ₹ 1/- each</b>	34		
	(1) Basic (₹)		0.52	0.65
	(2) Diluted (₹)		0.52	0.65

Corporate Information, Basis of Preparation & Significant Accounting Policies 1-2

The accompanying notes 1 to 58 are integral parts of the Financial Statements.  
As per our Report of even date attached

## For Raman M. Jain & Co.,

Chartered Accountants

Firm Registration No.: 113290W

## Raman M. Jain

(Partner)

(Membership No.: 045790)

UDIN: 2404579013KBOBY9486

Place: Chhatral - Gandhinagar

Date: 20-05-2024

## For and on Behalf of Board of Directors

### Mahendra R. Shah

(Chairman & Whole  
Time Director)

### Pushpa M. Shah

(Executive Director)

### Saloni Hurkat

(Company Secretary)

### Jatin M. Shah

(Managing Director)

### Pawan Kumar Lohiya

(Chief Financial Officer)

# STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

## A. EQUITY SHARE CAPITAL

Equity Shares of ₹ 1/- each Issued, Subscribed and Fully Paid Up

₹ In Lakhs

Particulars	As At March 31, 2024	As At March 31, 2023
Balance at the Beginning of the Reporting Period	1,589.24	1,589.24
Add: Shares Issued During the Year NIL (Previous Year NIL)	0.00	0.00
<b>Balance at the End of the Reporting Period</b>	<b>1,589.24</b>	<b>1,589.24</b>

## B. OTHER EQUITY

₹ In Lakhs

Particulars	Capital Reserve	Securities Premium Reserve	General Reserves	Surplus in Profit & Loss Statement	Other Comprehensive Income	Total
Balance at the Beginning of the Reporting Period April 01, 2023	603.11	2,148.36	365.00	4,070.23	32.55	7,219.25
Changes in Accounting Policy or Prior Period Errors	0.00	0.00	0.00	0.00	0.00	0.00
<b>Restated Balance at the Beginning of the Current Reporting Period</b>	<b>603.11</b>	<b>2,148.36</b>	<b>365.00</b>	<b>4,070.23</b>	<b>32.55</b>	<b>7,219.25</b>
Profit for the Year	0.00	0.00	0.00	822.04	0.00	822.04
Fair Valuation of Debt Instrument	0.00	0.00	0.00	0.00	0.46	0.46
Re-measurement Gains / (Losses) on Employee Benefits	0.00	0.00	0.00	0.00	4.92	4.92
Dividend Payment	0.00	0.00	0.00	0.00	0.00	0.00
Tax on Dividend Payment	0.00	0.00	0.00	0.00	0.00	0.00
Transfer to General Reserve	0.00	0.00	0.00	0.00	0.00	0.00
Transfer from Retained Earnings	0.00	0.00	0.00	0.00	0.00	0.00
Used for Issue of Bonus Shares	0.00	0.00	0.00	0.00	0.00	0.00
<b>Balance at the End of the Reporting Period March 31, 2024</b>	<b>603.11</b>	<b>2,148.36</b>	<b>365.00</b>	<b>4,892.27</b>	<b>37.93</b>	<b>8,046.67</b>

# STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

## OTHER EQUITY

₹ In Lakhs

Particulars	Capital Reserve	Securities Premium Reserve	General Reserves	Surplus in Profit & Loss Statement	Other Comprehensive Income	Total
Balance at the Beginning of the Reporting Period April 01, 2022	603.11	2,148.36	365.00	3,038.55	20.20	6,175.22
Changes in Accounting Policy or Prior Period Errors	0.00	0.00	0.00	0.00	0.00	0.00
<b>Restated Balance at the Beginning of the Current Reporting Period</b>	<b>603.11</b>	<b>2,148.36</b>	<b>365.00</b>	<b>3,038.55</b>	<b>20.20</b>	<b>6,175.22</b>
Profit for the Year	0.00	0.00	0.00	1,031.68	0.00	1,031.68
Fair Valuation of Debt Instrument	0.00	0.00	0.00	0.00	0.02	0.02
Re-measurement Gains / (Losses) on Employee Benefits	0.00	0.00	0.00	0.00	2.33	12.33
Dividend Payment	0.00	0.00	0.00	0.00	0.00	0.00
Tax on Dividend Payment	0.00	0.00	0.00	0.00	0.00	0.00
Transfer to General Reserve	0.00	0.00	0.00	0.00	0.00	0.00
Transfer from Retained Earnings	0.00	0.00	0.00	0.00	0.00	0.00
Used for Issue of Bonus Shares	0.00	0.00	0.00	0.00	0.00	0.00
<b>Balance at the End of the Reporting Period March 31, 2023</b>	<b>603.11</b>	<b>2,148.36</b>	<b>365.00</b>	<b>4,070.23</b>	<b>32.55</b>	<b>7,219.25</b>

As per our Report of even date attached

**For Raman M. Jain & Co.,**

Chartered Accountants

Firm Registration No.: 113290W

**Raman M. Jain**

(Partner)

(Membership No.: 045790)

UDIN: 2404579013KBOBY9486

Place: Chhatral - Gandhinagar

Date: 20-05-2024

**For and on Behalf of Board of Directors**

**Mahendra R. Shah**

(Chairman & Whole Time Director)

**Pushpa M. Shah**

(Executive Director)

**Saloni Hurkat**

(Company Secretary)

**Jatin M. Shah**

(Managing Director)

**Pawan Kumar Lohiya**

(Chief Financial Officer)

# CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024

₹ In Lakhs

Particulars	As At March 31, 2024	As At March 31, 2023
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit / (Loss) Before Tax</b>	<b>971.79</b>	1,098.15
Adjustments for:		
Depreciation and Amortization	<b>390.53</b>	355.14
Interest and Finance Charges	<b>1,857.42</b>	1,438.64
Interest Income	<b>(16.67)</b>	(9.11)
(Gain) / Loss on Fixed Assets Sold / Discarded (Net)	<b>0.00</b>	(6.41)
Others	<b>0.00</b>	0.00
<b>Operating Profit Before Working Capital Changes</b>	<b>3,203.07</b>	<b>2,876.41</b>
Adjustments for Changes in Working Capital:		
(Increase) / Decrease in Trade Receivables, Loans & Advances and Other Assets	<b>1,086.22</b>	276.40
(Increase) / Decrease in Inventories	<b>(3,690.60)</b>	(1,053.46)
Increase / (Decrease) in Trade Payables, Other Liabilities and Provisions	<b>60.22</b>	922.98
(Increase) / Decrease Other Non-Current Assets	<b>68.90</b>	(183.39)
Increase / (Decrease) Other Non-Current Liabilities	<b>11.59</b>	(2.28)
<b>Cash Generated From Operations</b>	<b>739.40</b>	<b>2,836.66</b>
Income Taxes Paid	<b>274.94</b>	(103.32)
<b>Net Cash Flow From Operating Activities</b>	<b>464.46</b>	<b>2,939.98</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	<b>(330.63)</b>	(756.35)
Additions in Capital Work-In-Progress	<b>0.00</b>	(86.62)
Proceeds From Sale of Fixed Assets	<b>0.00</b>	43.44
Sale / (Purchase) of Non-Current Investments	<b>0.00</b>	0.00
Sale / (Purchase) of Current Investments	<b>0.00</b>	(2.00)
Investments in Bank Deposits (with Original Maturity over 3 Months)	<b>(43.55)</b>	(29.43)
Interest Received	<b>16.67</b>	9.11
<b>Net Cash Flow From Investing Activities</b>	<b>(357.51)</b>	<b>(821.85)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase / (Decrease) in Share Capital And Capital Reserve	<b>0.00</b>	0.00
Proceeds / (Repayment) from Long Term Borrowings	<b>(476.05)</b>	(206.74)
Proceeds / (Repayment) from Short Term Borrowings	<b>1,502.28</b>	269.95
Payment of Dividend And Dividend Tax thereon	<b>0.00</b>	0.00
Interest and Finance Charges	<b>(1,846.08)</b>	(1,438.64)
<b>Net Cash Flow from Financing Activities</b>	<b>(819.85)</b>	<b>(1,375.43)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(712.90)</b>	<b>742.70</b>
<b>Cash and Bank Balances at the Beginning of the Year</b>	<b>751.19</b>	<b>8.49</b>
<b>Cash and Bank Balances at the End of the Year</b>	<b>38.29</b>	<b>751.19</b>

# CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024

## Notes:

- 1) The above cash flow statement has been prepared as per the "Indirect method" set out in the Indian Accounting Standard (Ind AS) - 7 Statement of Cash Flows.
- 2) Figures in bracket indicate cash outflow.
- 3) Previous year figures have been regrouped and recasted wherever necessary to confirm to current year's classification.

Cash and cash equivalents at the end of the year consist of cash on hand, cheques, draft on hand and balance with banks as follows:

## DETAIL OF CASH AND CASH EQUIVALENTS

₹ In Lakhs

Particulars	As At March 31, 2024	As At March 31, 2023
Balances with Banks		
In Current Accounts	4.88	4.61
In Deposits with Original Maturity of Less than 3 Months	0.00	731.00
Cash on Hand	33.41	15.58
Cheques on Hand	0.00	0.00
<b>Total</b>	<b>38.29</b>	<b>751.19</b>

As per our Report of even date attached

### For Raman M. Jain & Co.,

Chartered Accountants

Firm Registration No.: 113290W

### Raman M. Jain

(Partner)

(Membership No.: 045790)

UDIN: 2404579013KBOBY9486

Place: Chhatral - Gandhinagar

Date: 20-05-2024

### For and on Behalf of Board of Directors

### Mahendra R. Shah

(Chairman & Whole  
Time Director)

### Jatin M. Shah

(Managing Director)

### Pushpa M. Shah

(Executive Director)

### Pawan Kumar Lohiya

(Chief Financial Officer)

### Saloni Hurkat

(Company Secretary)



# NOTE 1 COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

## 1.0 Corporate Information

Arfin India Limited (the “Company”) is a public Company domiciled in India and incorporated under the provisions of Companies Act, 1956. Its Equity Shares are listed on BSE Limited. The registered office of the Company is located at Plot No. 117, Ravi Industrial Estate, Billeswarpura, Chhatral, Tal. – Kalol, Dist. – Gandhinagar-382729, Gujarat, India.

The Company is engaged in the business of manufacturing, trading and selling of various non-ferrous metal products and its manufacturing facilities are located at Chhatral, Dhanot and Vadaswami in the State of Gujarat. The Company has branch office at Raigarh in the State of Maharashtra. The Company caters to both domestic as well as international markets.

## 2.1 Basis of Preparation of Financial Statements

### Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the ‘Ind AS’) as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (‘Act’) read with the Companies (Indian Accounting Standards) Rules, 2021 as amended and other relevant provisions of the Act.

The financial statements for the financial year ended March 31, 2024 have been approved by the Board of Directors of the Company in its meeting held on May 20, 2024.

### Historical Cost Convention

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

- i) Certain financial assets and liabilities that are measured at fair value or amortized cost;
- ii) Defined benefit plans - plan assets are measured at fair value less present value of defined benefit obligations.

### Current and Non-Current Classification

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

### Rounding off of Amounts

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

## 2.2 Use of Estimates

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognized in the period in which the results are known / materialized. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

## 2.3 Property, Plant & Equipment

Property, plant and equipment are stated at cost, net of recoverable taxes, less depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and other cost directly attributable to the acquisition of the items.

## NOTES FORMING PART OF FINANCIAL STATEMENTS

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

### Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a Straight-Line Method over the estimated useful lives of assets.

The Company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II to the Act, and the management believes that useful life of assets are same as those prescribed in the Schedule II to the Act.

Asset Class	Useful Life
Factory Building	30 years
Non-Factory Building	60 years
Plant and Machinery	15 years
Furniture and Fixtures / Electric Installations	10 years
Office Equipment	5 years
Vehicles	8/10 years
Computers	3 years

The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

### Capital Work-In-Progress and Capital Advances

Cost of assets not ready for intended use, as on the Balance Sheet date is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at Balance Sheet date are disclosed as Other Current Assets.

## 2.4 Intangible Assets

Computer software are stated at cost, less accumulated amortization and impairments, if any.

### Amortization Method and Useful Life

The Company amortizes computer software using the straight-line method over the period of 5 years. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

## 2.5 Inventories

Items of inventories of Raw Material, Finished goods, Spares and Stores, Packing Material & Fuel are valued at lower of cost or net realizable value except waste which is valued at estimated net realizable value. Raw Material cost of inventories comprises of cost of purchase and other costs incurred in

# NOTES FORMING PART OF FINANCIAL STATEMENTS

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bringing the inventories to their present location and condition. Finished goods cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition.

## 2.6 Financial Instruments

### (i) Initial Recognition and Measurement

The Company recognizes financial assets and liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Regular way of purchase and sale of financial assets are recognized on the trade date.

### (ii) Subsequent Measurement

#### A. Non-Derivative Financial Instrument

##### (a) Financial Assets Carried at Amortized Cost

A financial asset is subsequently measured at amortized 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 flows that are solely payments of principal and interest on the principal amount outstanding.

##### (b) Financial Assets at Fair Value through Other Comprehensive Income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

##### (c) Financial Assets at Fair Value through Profit or Loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

##### (d) Financial Liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payable s maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

# NOTES FORMING PART OF FINANCIAL STATEMENTS

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## B. Derivative Financial Instruments

The Company holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counter party for these contracts is generally a bank.

### Financial Assets or Liabilities, at Fair Value through Profit or Loss

This category has derivative financial assets or liabilities which are not designated as hedges. Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated as hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets / liabilities in this category are presented as current assets / liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.

## C. De-Recognition of Financial Instruments

The Company derecognizes a financial asset when the contractual right to receive the cash flows from the financial asset expires or it transfers the financial asset.

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired.

## 2.7 Current versus Non-Current Classification

An asset is considered as current when it is:

- expected to be realized or intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realized 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 considered as current when it is:

- expected to be settled in normal operating cycle;
- held primarily for the purpose of trading;
- 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.

All other liabilities are classified as non-current.

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

# NOTES FORMING PART OF FINANCIAL STATEMENTS

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## 2.8 Measurement of Fair Value

Fair value is the price that would be received on sell of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

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

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

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

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

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 – Input for the asset or liability those are not based on observable market data (unobservable inputs).

## 2.9 Investments and Other Financial Assets

### Classification

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

- Those to be measured subsequently at fair value (either through Other Comprehensive Income, or through the Statement of Profit and Loss), and
- Those measured at amortized cost.

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

### Measurement

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

### Impairment of Financial Assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.



# NOTES FORMING PART OF FINANCIAL STATEMENTS

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## 2.10 Revenue Recognition

Revenue is measured at the value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates, discounts, GST and amounts collected on behalf of third parties.

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

### Sale of Goods

Sales are recognized when substantial risk and rewards of ownership are transferred to customers. In case of domestic customer, generally sales take place when goods are dispatched or delivery is handed over to transporter. In case of export customers, generally sales take place when goods are shipped on board based on bill of lading.

### Other Operating Revenue

Export Incentives under various schemes are accounted in the year in which right to receive is irrevocably established.

### Other Revenue

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

Revenue in respect of insurance / other claims etc. is recognized only when it is reasonably certain that the ultimate collection will be made.

### Dividend

Dividends are generally recognized in the Statement of Profit and Loss only when the right to receive payment is established.

## 2.11 Foreign Currency Transactions

The financial statements are presented in Indian Rupee (INR), which is Company's functional and presentation currency.

Foreign currency transactions are accounted for at the exchange rate prevailing on the date of the transaction. All monetary foreign currency assets and liabilities are converted at the exchange rates prevailing on the date of the Balance Sheet. All exchange differences other than those relating to the acquisition of fixed assets from outside India are dealt with in the Statement of Profit and Loss. Exchange gain or loss relating to fixed assets acquired from outside India is adjusted in the cost of respective fixed assets. All non-monetary items are measured at historical cost basis.

In case of forward contracts, the gain / loss on contracts are treated as periodical expense or revenue. Any profit or loss arising on the cancellation or renewal of a forward exchange contract is recognized as income or expense for the year, except in case of a forward exchange contract relating to liabilities incurred for acquiring fixed assets from outside India, in which case, such profit or loss is adjusted in the cost of fixed assets.

Exchange difference is calculated as the difference between the foreign currency amount of the contract translated at the exchange rate at the reporting date, or the settlement date where the transaction is settled during the reporting period, and the corresponding foreign currency amount

## NOTES FORMING PART OF FINANCIAL STATEMENTS

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translated at the later of the date of inception of the forward exchange contract and the last reporting date. Such exchange differences are recognized in the Statement of Profit and Loss in the reporting period in which the exchange rates change.

### 2.12 Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In that case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Minimum Alternate Tax credit is recognized as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

### 2.13 Provisions and Contingent Liabilities

Provisions are recognized when the Company has a present legal or constructive obligation. As a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be

## NOTES FORMING PART OF FINANCIAL STATEMENTS

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measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

### 2.14 Employee Benefits

#### Short Term Obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related services are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

#### Post-Employment Obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity; and
- (b) defined contribution plans such as provident fund.

#### Gratuity Obligations

The liability or asset recognized in the Balance Sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet. Gratuity liability of employees is not funded.

#### Defined Contribution Plans

Defined Contribution Plans such as Provident Fund, etc., are charged to the Statement of Profit and Loss as incurred.

### 2.15 Borrowing Costs

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognized in the Statement of Profit and Loss using the effective interest method except to the extent attributable to qualifying property, plant and equipment (PPE) which are capitalized to the cost of the related assets. A qualifying PPE is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing cost also includes exchange differences to the extent considered as an adjustment to the borrowing costs.

# NOTES FORMING PART OF FINANCIAL STATEMENTS

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## 2.16 Earnings Per Share

### Basic Earnings Per Share

Basic earnings per share is calculated by dividing:

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

### Diluted Earnings Per Share

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

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

## 2.17 Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable Value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been a change in the estimate of recoverable amount.

## 2.18 Leases

### As a Lessee

The Company's lease asset classes primarily consist of leases for buildings taken on lease for operating its branch offices, if any. The Company assesses whether a contract contains a lease, at inception of a contract. At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term. The lease liability is initially measured at amortized cost at the present value of the future lease payments, if any.

During the year, Company has only short-term and low value leases, therefore the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

### As a Lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature, if any.

During the year, Company has only short-term and low value leases receipt, therefore the Company recognizes the lease receipts as an operating income in profit & loss account.

# NOTES FORMING PART OF FINANCIAL STATEMENTS

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## 2.19 Government Grants

Government grants are recognized on systematic basis when there is reasonable certainty of realization of the same. Revenue grants including subsidy / rebates are credited to the Statement of Profit and Loss under “Other Income” or deducted from the related expenses for the period to which these are related. Grants which are meant for purchase, construction or otherwise acquired through non-current assets are recognized as deferred income and disclosed under non-current liabilities and transferred to the Statement of Profit and Loss on a systematic basis over the useful life of the respective asset. Grants relating to non-depreciable assets are transferred to the Statement of Profit and Loss over the periods that bear the cost of meeting the obligations related to such grants.

## 2.20 Cash and Cash Equivalents

Cash and cash equivalents include cash and cheques in hand, bank balances, demand deposits with banks and other short term highly liquid investments that are really convertible to known amounts of cash and which are subject to an insignificant risk of changes in value where original maturity is three months or less.

## 2.21 Cash Flow Statement

Cash flows are reported using the indirect method whereby the profit before tax is adjusted for effect of the transactions of a non cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

## 2.22 Share Capital

Shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.

## 2.23 Cash Dividend

The Company recognizes a liability to make cash or non-cash distributions to equity shareholders of the Company when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the Companies Act, 2013, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.



## Notes Forming Part of Financial Statements

### 3. PROPERTY, PLANT, EQUIPMENT, CAPITAL WORK-IN-PROGRESS AND INTANGIBLE ASSETS

₹ In Lakhs

Particulars	Factory Land	Factory Buildings	Plant & Equipment	Computer	Furniture & Fixtures	Vehicles	Office Equipment	Office Building	Total	Capital Work-in-Progress
<b>COST OF ASSETS</b>										
As at April 01, 2022	574.99	2,582.82	2,849.78	24.13	77.21	463.73	76.15	1,055.54	7,704.35	0.00
Addition	80.17	80.16	553.58	2.49	0.00	37.77	2.18	0.00	756.35	86.62
Disposal / Adjustments	0.00	0.00	31.00	0.00	0.00	98.49	0.00	0.00	129.49	0.00
As at March 31, 2023	655.16	2,662.98	3,372.36	26.62	77.21	403.01	78.33	1,055.54	8,331.21	86.62
Addition	0.00	44.44	363.80	0.72	0.00	1.89	0.67	5.73	417.25	0.00
Disposal / Adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	86.62
As at March 31, 2024	655.16	2,707.42	3,736.16	27.34	77.21	404.90	79.00	1,061.27	8,748.46	0.00
<b>DEPRECIATION</b>										
As at March 31, 2022	0.00	306.99	914.24	20.01	44.31	162.63	44.00	48.75	1,540.93	0.00
Charge For The Year	0.00	82.78	187.06	1.21	5.39	53.72	8.26	16.72	355.14	0.00
Disposal / Adjustments	0.00	0.00	12.72	0.00	0.00	79.74	0.00	0.00	92.46	0.00
As at March 31, 2023	0.00	389.77	1,088.58	21.22	49.70	136.61	52.26	65.47	1,803.61	0.00
Charge For The Year	0.00	85.64	231.31	2.02	4.11	47.87	7.73	11.85	390.53	0.00
Disposal / Adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
As at March 31, 2024	0.00	475.41	1,319.89	23.24	53.81	184.48	59.99	77.32	2,194.14	0.00
<b>NET BLOCK</b>										
As at March 31, 2024	655.16	2,232.01	2,416.27	4.10	23.40	220.42	19.01	983.95	6,554.32	0.00
As at March 31, 2023	655.16	2,273.21	2,283.78	5.40	27.51	266.40	26.07	990.07	6,527.60	86.62

# NOTES FORMING PART OF FINANCIAL STATEMENTS

## 4. NON - CURRENT FINANCIAL ASSETS - INVESTMENTS

₹ In Lakhs

Sr. No.	Particulars	As At March 31, 2024	As At March 31, 2023
I	<b>TRADE INVESTMENT (AT COST)</b> Investment in Equity Instruments	0.00	0.00
		<b>0.00</b>	<b>0.00</b>
II	<b>NON-TRADE INVESTMENT</b> Investment	0.00	0.00
	<b>Total</b>	<b>0.00</b>	<b>0.00</b>

## 5. NON - CURRENT FINANCIAL ASSETS - LOANS

₹ In Lakhs

Sr. No.	Particulars	As At March 31, 2024	As At March 31, 2023
I	<b>UNSECURED, CONSIDERED GOOD, UNLESS OTHERWISE STATED</b> (i) Others	0.00	0.00
II	Loans to Employees	0.00	0.00
	<b>Total</b>	<b>0.00</b>	<b>0.00</b>

## 6. NON - CURRENT FINANCIAL ASSETS - OTHERS

₹ In Lakhs

Sr. No.	Particulars	As At March 31, 2024	As At March 31, 2023
I	Bank Deposits with Original Maturity Greater than 12 Months	0.00	0.00
II	Balance with Statutory / Government Authority (Refer Note 6.1)	41.30	41.30
III	Security Deposits	40.85	42.82
	<b>Total</b>	<b>82.15</b>	<b>84.12</b>

6.1 Payment of Custom Duty is under protest against which the appeal has been filed before Commissioner of Custom Appeals,

## 7. NON - CURRENT ASSETS - OTHERS

₹ In Lakhs

Sr. No.	Particulars	As At March 31, 2024	As At March 31, 2023
I	<b>CAPITAL ADVANCES</b> (i) Considered Good	0.00	0.00
	(ii) Considered Doubtful	0.00	0.00
II	Less: Provision for Doubtful Advances	0.00	0.00
		<b>0.00</b>	<b>0.00</b>
III	Preliminary / Unamortized Expense to the Extent Not Written Off	27.82	53.28
	<b>Total</b>	<b>27.82</b>	<b>53.28</b>

## NOTES FORMING PART OF FINANCIAL STATEMENTS

### 8. INVENTORIES

₹ In Lakhs

Sr. No.	Particulars	As At March 31, 2024	As At March 31, 2023
	(Valued at Lower of Cost and Net Realizable Value)		
I	Raw Materials	11,106.92	7,705.84
II	Work-In-Progress	0.00	0.00
III	Stores and Spares	84.67	40.98
IV	Finished Goods	3,662.63	3,416.80
V	Stock-In-Trade	0.00	0.00
	<b>Total</b>	<b>14,854.22</b>	<b>11,163.62</b>

As per inventory taken and valued by the management.

8.1 Inventories are hypothecated to Consortium for Secured Working Capital and Term Loan Facilities from State Bank of India, Standard Chartered Bank, ICICI Bank, IDBI Bank and Bank of Baroda.

### 9. CURRENT FINANCIAL ASSETS - INVESTMENTS

₹ In Lakhs

Sr. No.	Particulars	As At March 31, 2024	As At March 31, 2023
I	<b>TRADE INVESTMENT (AT COST)</b>		
	Investment in Equity Instruments	0.00	0.00
		<b>0.00</b>	<b>0.00</b>
II	<b>NON-TRADE INVESTMENT</b>		
	Investment in SBI Dividend Yield Fund (Quoted) (At Fair Value Through OCI)	2.70	2.02
	<b>Total</b>	<b>2.70</b>	<b>2.02</b>

### 10. TRADE RECEIVABLES

₹ In Lakhs

Sr. No.	Particulars	As At March 31, 2024	As At March 31, 2023
I	<b>UNDISPUTED</b>		
	(i) Considered Good	5,335.48	5,706.86
	(ii) Considered Doubtful	0.00	0.00
		<b>5,335.48</b>	<b>5,706.86</b>
	<b>DISPUTED</b>		
	(i) Considered Good	0.00	0.00
	(ii) Considered Doubtful	0.00	0.00
		<b>0.00</b>	<b>0.00</b>
	<b>Total</b>	<b>5,335.48</b>	<b>5,706.86</b>

# NOTES FORMING PART OF FINANCIAL STATEMENTS

## 10.1 AGEING OF TRADE RECEIVABLES

₹ In Lakhs

Sr. No.	Particulars	As At March 31, 2024	As At March 31, 2023
	<b>UNDISPUTED</b>		
I	Less than Six Months	5,231.14	5,706.86
II	Six Months to One Year	104.34	0.00
III	One to Two Years	0.00	0.00
IV	Two to Three Years	0.00	0.00
V	More Than Three Years	0.00	0.00
	<b>Total</b>	<b>5,335.48</b>	<b>5,706.86</b>
	<b>DISPUTED</b>		
I	Less than Six Months	0.00	0.00
II	Six Months to One Year	0.00	0.00
III	One to Two Years	0.00	0.00
IV	Two to Three Years	0.00	0.00
V	More Than Three Years	0.00	0.00
	<b>Total</b>	<b>0.00</b>	<b>0.00</b>

10.2 Trade Receivables are hypothecated to Consortium for Secured Working Capital and Term Loan Facilities from State Bank of India, Standard Chartered Bank, ICICI Bank, IDBI Bank and Bank of Baroda.

## 11. CASH AND CASH EQUIVALENTS

₹ In Lakhs

Sr. No.	Particulars	As At March 31, 2024	As At March 31, 2023
I	Balances with Scheduled Banks		
	(i) In Current Accounts	4.88	4.61
	(ii) In Deposit Accounts (Maturity Less than 3 Months)	0.00	731.00
II	Cash in Hand	33.41	15.58
III	Cheques in Hand	0.00	0.00
	<b>Total</b>	<b>38.29</b>	<b>751.19</b>

## 12. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹ In Lakhs

Sr. No.	Particulars	As At March 31, 2024	As At March 31, 2023
I	Other Balances	0.00	0.00
II	Earmarked Balances with Banks for:		
	(i) Unpaid Dividends (Refer Note No. 12.1 below)	5.14	5.19
	(ii) Bank Fixed Deposits*	198.58	154.98
	<b>Total</b>	<b>203.72</b>	<b>160.17</b>

12.1 There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at March 31, 2024.

\*Includes FDR of ₹ 193.18 Lakhs against various Bank Guarantees issued and Rs 5.40 Lakhs as collateral security IDBI Bank for Solar Power Plant Term Loan as at March 31, 2024.

\*Includes FDR of ₹ 149.87 Lakhs against various Bank Guarantees issued and Rs 5.11 Lakhs as collateral security IDBI Bank for Solar Power Plant Term Loan as at March 31, 2023.

# NOTES FORMING PART OF FINANCIAL STATEMENTS

## 13 CURRENT FINANCIAL ASSETS - LOANS

Sr. No.	Particulars	As At March 31, 2024	As At March 31, 2023
	<b>UNSECURED, CONSIDERED GOOD, UNLESS OTHERWISE STATED</b>		
I	Security Deposits	0.00	0.00
II	Others:		
	(i) Advances Recoverable in Cash or Kind	638.24	992.93
	(ii) Advances to Staff	19.03	14.83
	<b>Total</b>	<b>657.27</b>	<b>1,007.76</b>

## 14. CURRENT FINANCIAL ASSETS - OTHERS

₹ In Lakhs

Sr. No.	Particulars	As At March 31, 2024	As At March 31, 2023
I	Interest Accrued on Deposits	5.32	1.04
	<b>Total</b>	<b>5.32</b>	<b>1.04</b>

## 15. OTHER CURRENT ASSETS

₹ In Lakhs

Sr. No.	Particulars	As At March 31, 2024	As At March 31, 2023
	<b>UNSECURED, CONSIDERED GOOD, UNLESS OTHERWISE STATED</b>		
I	<b>Capital Advances</b>		
	(i) Considered Good	2.79	38.88
	(ii) Considered Doubtful	0.00	0.00
II	<b>Others</b>		
	(i) Prepaid Expenses	19.73	22.53
	(ii) Balance with Statutory Authorities	744.84	1,074.58
	<b>Total</b>	<b>767.36</b>	<b>1,135.99</b>



# NOTES FORMING PART OF FINANCIAL STATEMENTS

## 16. EQUITY SHARE CAPITAL

In Lakhs

Sr. No.	Particulars	As At March 31, 2024	As At March 31, 2023
I	<b>AUTHORIZED</b> 31,50,00,000 Equity Shares of ₹ 1/- Each (As at March 31, 2023 - 31,50,00,000 Equity Shares of ₹ 1/- each) *	3,150.00	3,150.00
II	<b>ISSUED, SUBSCRIBED AND PAID UP</b> 15,89,24,050 Equity Shares of ₹ 1/- Each (As At March 31, 2023 - 15,89,24,050 Equity Shares of ₹ 1/- Each) *	1,589.24	1,589.24

\*Sub-division of 1 (One) Equity Share of ₹ 10/- each in to 10 (Ten) Equity Share of ₹ 1/- each through postal ballot by way of electronic means on October 21, 2022 during the Financial year 2022-23. (Refer Note: 48)

16.1 The Company has only One Class of Ordinary Equity Shares having Par Value of ₹ 1/- Each and the holders of these Ordinary Shares are entitled to receive Dividends as and when declared by the Company. Each holder of the Equity Shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution to all preferential amounts, in proportion to their shareholding.

### 16.2 The Reconciliation of the Number of Shares Outstanding as at March 31, 2024 and March 31, 2023 is set out below

Sr. No.	Particulars	As At March 31, 2024		As At March 31, 2023	
		No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
I	<b>EQUITY SHARES</b>				
	Shares Outstanding at the Beginning of the Year	15,89,24,050	1,589.24	1,58,92,405	1,589.24
	Adjustment for Sub-Division of Equity Shares	0	0.00	14,30,31,645	0.00
	Add: Shares Issued During the Year: NIL (Previous Year: NIL)	0	0.00	0	0.00
	<b>Shares Outstanding at the End of the Year pursuant to sub-division (Refer Note 48)</b>	<b>15,89,24,050</b>	<b>1,589.24</b>	<b>15,89,24,050</b>	<b>1,589.24</b>

### 16.3 List of All Promoters And Other Shareholders Holding More than 5% Shares is Set Out Below

Sr. No.	Name of the Shareholder	As At March 31, 2024		As At March 31, 2023	
		No. of Shares	% of Holding	No. of Shares	% of Holding
(i)	Mr. Mahendra R. Shah	2,56,58,250	16.14%	2,56,58,250	16.14%
(ii)	Mr. Jatin M. Shah	2,51,59,530	15.83%	2,51,59,530	15.83%
(iii)	Mrs. Pushpa M. Shah	2,16,01,100	13.59%	2,16,01,100	13.59%
(iv)	Mrs. Rani J. Shah	2,13,33,160	13.42%	2,13,33,160	13.42%
(v)	Ms. Pooja M. Shah	80,24,400	5.05%	80,24,400	5.05%
(vi)	Jatin Mahendra Shah HUF	64,98,000	4.09%	64,98,000	4.09%
(vii)	Krish Jatin Shah	36,00,000	2.27%	36,00,000	2.27%
(viii)	Mahendra R. Shah HUF	32,53,530	2.05%	32,53,530	2.05%
(ix)	Khushbu M. Shah	17,22,850	1.08%	17,49,050	1.10%
(x)	Khwaish Jatin Shah	9,00,000	0.57%	9,00,000	0.57%

# NOTES FORMING PART OF FINANCIAL STATEMENTS

## 17. OTHER EQUITY

₹ In Lakhs

Sr. No.	Particulars	As At March 31, 2024	As At March 31, 2023
<b>I</b>	<b>CAPITAL RESERVE</b>		
	Opening Balance	603.11	603.11
	Addition During the Financial Year	0.00	0.00
	Deductions During the Financial Year	0.00	0.00
	Closing Balance	603.11	603.11
<b>II</b>	<b>SECURITIES PREMIUM RESERVE</b>		
	Opening Balance	2,148.36	2,148.36
	Additions During the Financial Year	0.00	0.00
	Deductions During the Financial Year	0.00	0.00
	Closing Balance	2,148.36	2,148.36
<b>III</b>	<b>GENERAL RESERVE</b>		
	Opening Balance	365.00	365.00
	Additions During the Financial Year	0.00	0.00
	Closing Balance	365.00	365.00
<b>IV</b>	<b>RETAINED EARNINGS</b>		
	Opening Balance	4,070.23	3,038.55
	Profit / (Loss) During the Financial Year	822.04	1,031.68
	Add: Addition During the Year (Including Transferred From Reserves)	0.00	0.00
	Less: Appropriations		
	Dividend Paid	0.00	0.00
	Tax on Dividend Paid	0.00	0.00
	Residual Value of Fixed Assets Transferred	0.00	0.00
	Used for Issue of Bonus Shares	0.00	0.00
	Transferred to General Reserve	0.00	0.00
	Closing Balance	4,892.27	4,070.23
<b>V</b>	<b>FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME [FVTOCI] RESERVE</b>		
	Opening Balance	32.55	20.20
	Fair Valuation of Debt Instrument	0.46	0.02
	Adjusted from Surplus in Statement of Profit and Loss		
	Re-measurement Gains / (Losses) on Employee Benefits	4.92	12.33
	Deductions During the Financial Year	0.00	0.00
	Closing Balance	37.93	32.55
	<b>Total Other Equity</b>	<b>8,046.67</b>	<b>7,219.25</b>

### 17.1 NATURE AND PURPOSE OF RESERVES

#### a) SECURITIES PREMIUM RESERVE

Securities Premium Reserve is created when shares are issued at premium. The reserves are utilized by the Company in accordance with provisions of the Act.

#### b) CAPITAL RESERVE

The Company has created Capital Reserve of ₹ 26.38 Lakhs on account of forfeiture of shares and

## NOTES FORMING PART OF FINANCIAL STATEMENTS

balance amount of ₹ 576.74 Lakhs has been created pursuant to scheme of amalgamation during the financial year 2017-18.

### c) GENERAL RESERVE

Pursuant to the provisions of the Companies Act, 1956, the Company has transferred a portion of its net profit to General Reserve before declaration of dividend. Mandatory transfer to General Reserve is not required under the Companies Act.

### d) RETAINED EARNINGS

Retained Earnings are the profits that the Company has earned till date, less any transfer to general reserve, dividends or other distribution paid to shareholders.

### e) FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME [FVTOCI] RESERVE

The Company transfers actuarial gain / (loss) arising at the time of valuation defined benefit obligation to "Actuarial Gain / Loss" component of Other Comprehensive Income (OCI).

The Company has elected to recognize changes in the fair value of certain investments in Other Comprehensive Income (OCI). These changes are accumulated within the FVTOCI.

## 18. NON - CURRENT FINANCIAL LIABILITIES - BORROWINGS

₹ In Lakhs

Sr. No.	Particulars	As At March 31, 2024	As At March 31, 2023
<b>A</b>	<b>SECURED TERM LOANS</b>		
<b>(1)</b>	<b>FROM BANKS</b>		
	<b>For Acquisition of Plant &amp; Machinery</b>		
	<b>IDBI Bank Limited - Term Loan</b>	<b>218.40</b>	309.00
	a) Tenure of Loan is 60 Months and Repayable in Monthly Installments commencing from the month of December 2022. Present Floating Rate of Interest is 10.70% per annum.		
	b) Nature of Primary Security: Loan is Secured by Hypothecation on Plant- Solar Power Panel.		
	c) Collateral Security: (i) Equitable Mortgage of Property situated at - Plot/Survey No. 138 & 139, Village Terwada, Kankrej, Banaskantha, Gujarat, India.		
	(i) Fixed Deposit with IDBI ₹ 5.00 Lakhs		
	d) Loan is Guaranteed by following Directors:		
	(1) Mr. Mahendra R. Shah (2) Mr. Jatin M. Shah		
	(3) Mrs. Pushpa M. Shah		
<b>(2)</b>	<b>Demand Loans</b>		
	State Bank of India - GECL Limit	<b>201.41</b>	421.16
	Bank of Baroda - GECL Limit	<b>110.00</b>	220.00
	Standard Chartered Bank - GECL Limit	<b>75.63</b>	158.13
	IDBI Bank - GECL Limit	<b>52.52</b>	110.00
	State Bank of India - GECL 2.0 Limit	<b>290.00</b>	398.75
	Bank of Baroda - GECL 2.0 Limit	<b>146.68</b>	201.67
	Standard Chartered Bank - GECL 2.0 Limit	<b>118.05</b>	161.20
	IDBI Bank - GECL 2.0 Limit	<b>85.33</b>	117.33

# NOTES FORMING PART OF FINANCIAL STATEMENTS

## 18. NON - CURRENT FINANCIAL LIABILITIES - BORROWINGS

₹ In Lakhs

Sr. No.	Particulars	As At March 31, 2024	As At March 31, 2023
	<p><b>All Above Demand Loans under Consortium Arrangements are Secured by:</b></p> <p>a) Nature of Primary Security: (i) Secured by Hypothecation of Entire Current Assets Including Book Debts and Stock at Present and in Future.</p> <p>b) Collateral Security: (i) Equitable Mortgage of Factory Land and Building at Plot No. 118/1,2,3,4, Plot No. 117/P-3,6,7, Ravi Industrial Estate situated at Bileshwarpura Village, Chhatral, Gandhinagar - 382729, Gujarat, India.</p> <p>(ii) Equitable Mortgage over Block No. 132/P, Near Mesco Weldmesh Industries, Ahmedabad - Mehasana Highway, Dhanot, Taluka, Kalol, Dist. - Gandhinagar - 382729, Gujarat, India.</p> <p>(iii) Equitable Mortgage Over Office No. B-302, 3rd Floor and Office No. A-601 &amp; B-602, 6th Floor located at Pelican House, Near Gujarat Chamber of Commerce Building, Ashram Road, Ahmedabad - 380009, Gujarat, India.</p> <p>c) Rate of Interest on GECL and GECL 2.0 Limits is in the range of 7.95% to 8.80% per annum.</p> <p>d) GECL Limits are repayable in 48 equal instalments after initial moratorium period of 12 months.</p> <p>e) GECL 2.0 Limits are repayable in 48 equal instalments after initial moratorium period of 24 months.</p> <p>f) GECL &amp; GECL 2.0 Limits are Guaranteed by following Directors: (1) Mr. Mahendra R. Shah (2) Mr. Jatin M. Shah (3) Mrs. Pushpa M. Shah</p>		
(3)	<p><b>For Acquisition of Equipments</b> <b>Tata Capital Financial Services Limited</b></p> <p>a) Tenure of Loan is 36 Months and Repayable in Monthly Installments commencing from the month of April 2023. Present Floating Rate of Interest is 10.25% per annum.</p> <p>b) Nature of Primary Security: Loan is Secured by Hypothecation on Scrap Sorting Equipment.</p> <p>c) Loan is Guaranteed by following Directors: (1) Mr. Mahendra R. Shah (2) Mr. Jatin M. Shah (3) Mrs. Pushpa M. Shah</p>	25.01	50.00
(4)	<p><b>For Acquisition of Vehicles</b> <b>HDFC Bank Limited - (Vehicles And JCB Loan)</b></p> <p>Tenure of Loan is 36 Months and Repayable in Equal Monthly Installments. Present Fixed Rate of Interest is 8.76% per annum.</p>	0.71	3.51

# NOTES FORMING PART OF FINANCIAL STATEMENTS

## 18. NON - CURRENT FINANCIAL LIABILITIES - BORROWINGS

₹ In Lakhs

Sr. No.	Particulars	As At March 31, 2024	As At March 31, 2023
	<b>State Bank of India - (Vehicles Loan)</b> Tenure of Loan is 36 Months and Repayable in Equal Monthly Installments. Present Fixed Rate of Interest is 9.00% per annum.	6.61	12.64
	<b>Bank of Baroda - (Vehicles Loan)</b> Tenure of Loan is 60 Months and Repayable in Equal Monthly Installments. Present Fixed Rate of Interest is 6.75% per annum. a) Nature of Security: Loan is Secured by Pledge of Vehicles. b) Loan is Guaranteed by following Directors: (1) Mr. Mahendra R. Shah (2) Mr. Jatin M. Shah	71.73	101.74
		<b>1,402.08</b>	<b>2,265.13</b>
	Less: Adjustment of Transaction Costs as per Ind AS 109	<b>0.37</b>	<b>0.76</b>
		<b>1,401.71</b>	<b>2,264.37</b>
<b>B</b>	<b>FROM OTHERS (UNSECURED)</b> Tata Capital Financial Services Limited a) Tenure of Loan is 36 Months and Repayable in Monthly Installments commencing from the month of February 2024. Present Fixed Interest Rate is 11% per annum. b) Loan is Guaranteed by following Directors: (1) Mr. Mahendra R. Shah (2) Mr. Jatin M. Shah (3) Mrs. Pushpa M. Shah Inter Corporate Deposits* Directors*	130.29	0.00
		<b>481.22</b>	<b>464.97</b>
		<b>772.17</b>	<b>801.15</b>
	<b>Total</b>	<b>2,785.39</b>	<b>3,530.49</b>

\* As per the Management's explanation, the above loans are for long term and repayable over a period of three to five years from the date of Balance Sheet.

## 19. NON - CURRENT PROVISIONS

₹ In Lakhs

Sr. No.	Particulars	As At March 31, 2024	As At March 31, 2023
	I Provision for Employee Benefit (i) Gratuity Payable	53.74	42.15
	Total	<b>53.74</b>	<b>42.15</b>

## 20. NON - CURRENT DEFERRED TAX LIABILITIES

₹ In Lakhs

Sr. No.	Particulars	As At March 31, 2024	As At March 31, 2023
I	Deferred Tax Liabilities	528.29	587.13
II	Deferred Tax Assets	374.80	412.40
III	<b>Total (I - II)</b>	<b>153.49</b>	<b>174.73</b>



# NOTES FORMING PART OF FINANCIAL STATEMENTS

## 20.1 COMPONENTS OF DEFERRED TAX ASSETS AS AT MARCH 31, 2024

₹ In Lakhs

Sr. No.	Particulars	As At April 01, 2023	Charge / (Credit) Recognized in Profit / Loss	Charge / (Credit) Recognized in Other Comprehensive Income	MAT Credit	As At March 31, 2024
I	<b>DEFERRED TAX ASSETS</b>					
	Fair Valuation of (Gain) / Loss on Debt Instrument	0.00	0.00	0.00	0.00	<b>0.00</b>
	Provision for Post Retirement and Other Employee Benefits	30.16	6.34	0.00	0.00	<b>36.50</b>
	Remeasurement of Defined Benefit Obligations	(16.30)	0.00	(2.47)	0.00	<b>(18.77)</b>
	MAT Credit Availment	398.54	0.00	0.00	(41.48)	<b>357.07</b>
	<b>Total Deferred Tax Assets</b>	<b>412.40</b>	<b>6.34</b>	<b>(2.47)</b>	<b>(41.48)</b>	<b>374.80</b>

## COMPONENTS OF DEFERRED TAX LIABILITIES AS AT MARCH 31, 2024

₹ In Lakhs

Sr. No.	Particulars	As At April 01, 2023	Charge / (Credit) Recognized in Profit / Loss	Charge / (Credit) Recognized in Other Comprehensive Income	MAT Credit	As At March 31, 2024
I	<b>DEFERRED TAX LIABILITIES</b>					
	Fair Valuation of (Gain) / Loss on Debt Instrument	0.00	0.00	0.23	0.00	<b>0.23</b>
	Timing Difference with respect to Property, Plant & Equipments	587.13	(59.07)	0.00	0.00	<b>528.06</b>
	Borrowings Designated at Amortized Cost	0.00	0.00	0.00	0.00	<b>0.00</b>
	<b>Total Deferred Tax Liabilities</b>	<b>587.13</b>	<b>(59.07)</b>	<b>0.23</b>	<b>0.00</b>	<b>528.29</b>

# NOTES FORMING PART OF FINANCIAL STATEMENTS

## 20.2 COMPONENTS OF DEFERRED TAX ASSETS AS AT MARCH 31, 2023

₹ In Lakhs

Sr. No.	Particulars	As At April 01, 2022	Charge / (Credit) Recognized in Profit / Loss	Charge / (Credit) Recognized in Other Comprehensive Income	MAT Credit	As At March 31, 2023
I	<b>DEFERRED TAX ASSETS</b>					
	Fair Valuation of (Gain) / Loss on Debt Instrument	0.00	0.00	0.00	0.00	0.00
	Provision for Post Retirement and Other Employee Benefits	24.74	5.42	0.00	0.00	30.16
	Remeasurement of Defined Benefit Obligations	(10.12)	0.00	(6.18)	0.00	(16.30)
	MAT Credit Availment	202.65	0.00	0.00	195.89	398.54
	<b>Total Deferred Tax Assets</b>	<b>217.27</b>	<b>5.42</b>	<b>(6.18)</b>	<b>195.89</b>	<b>412.40</b>

## COMPONENTS OF DEFERRED TAX LIABILITIES AS AT MARCH 31, 2023

₹ In Lakhs

Sr. No.	Particulars	As At April 01, 2022	Charge / (Credit) Recognized in Profit / Loss	Charge / (Credit) Recognized in Other Comprehensive Income	MAT Credit	As At March 31, 2023
I	<b>DEFERRED TAX LIABILITIES</b>					
	Fair Valuation of (Gain) / Loss on Debt Instrument	0.00	0.00	0.00	0.00	0.00
	Timing Difference with respect to Property, Plant & Equipments	515.24	71.89	0.00	0.00	587.13
	Borrowings Designated at Amortized Cost	0.00	0.00	0.00	0.00	0.00
	<b>Total Deferred Tax Liabilities</b>	<b>515.24</b>	<b>71.89</b>	<b>0.00</b>	<b>0.00</b>	<b>587.13</b>

## 21. CURRENT FINANCIAL LIABILITIES – BORROWINGS

₹ In Lakhs

Sr. No.	Particulars	As At March 31, 2024	As At March 31, 2023
I	<b>LOANS REPAYABLE ON DEMAND</b>		
	(a) Secured		
	(I) From Banks		
	IDBI Bank Limited - Cash Credit Limits	634.92	472.22
	State Bank of India - Cash Credit Limits Bank of	2,953.46	2,622.44
	Baroda - Cash Credit Limits	2,116.64	2,032.83
	ICICI Bank Limited - Cash Credit Limits	948.96	795.70

# NOTES FORMING PART OF FINANCIAL STATEMENTS

## 21. CURRENT FINANCIAL LIABILITIES – BORROWINGS

₹ In Lakhs

Sr. No.	Particulars	As At March 31, 2024	As At March 31, 2023
	Standard Chartered Bank - Cash Credit Limits	1,609.07	1,106.63
	<b>All Above Working Capital Loans under Consortium Arrangements are Secured by:</b>		
	a) Nature of Primary Security: (i) Secured by Hypothecation of Entire Current Assets Including Book Debts and Stock at Present and in Future.		
	b) Collateral Security: (i) Equitable Mortgage of Factory Land and Building at Plot No. 118/1,2,3,4, Plot No. 117/P-3,6,7, Ravi Industrial Estate situated at Bileshwarpura Village, Chhatral, Gandhinagar - 382729, Gujarat, India.		
	(ii) Equitable Mortgage over Block No. 132/P, Near Mesco Weldmesh Industries, Ahmedabad - Mehasana Highway, Dhanot, Taluka, Kalol, Dist. - Gandhinagar - 382729, Gujarat, India.		
	(iii) Equitable Mortgage Over Office No. B-302, 3rd Floor and Office No. A-601 & B-602, 6th Floor situated at Pelican House, Near Gujarat Chamber of Commerce Building, Ashram Road, Ahmedabad - 380009, Gujarat, India.		
	c) Rate of Interest on Cash Credit Loan is in the range of 9.55% to 10.10% per annum.		
	d) Cash Credit limits are renewable every year.		
	e) Loans are Guaranteed by following Directors:		
	(1) Mr. Mahendra R. Shah (2) Mr. Jatin M. Shah		
	(3) Mrs. Pushpa M. Shah		
	(ii) From Other Parties	0.00	0.00
		<b>8,263.05</b>	7,029.82
	<b>(b) Unsecured</b>		
	(i) From Banks	0.00	0.00
	(ii) From Other Parties	0.00	0.00
		0.00	0.00
		<b>8,263.05</b>	7,029.82
<b>II</b>	<b>LOANS AND ADVANCES FROM RELATED PARTIES</b>		
	(a) Secured	0.00	0.00
	(b) Unsecured	0.00	0.00
		0.00	0.00
<b>III</b>	<b>CURRENT MATURITIES OF LONG TERM DEBT - TERM LOANS</b>	923.63	654.58
<b>IV</b>	<b>DEPOSITS</b>		
	(a) Secured	0.00	0.00
	(b) Unsecured	0.00	0.00
		0.00	0.00
	<b>Total</b>	<b>9,186.68</b>	7,684.40

# NOTES FORMING PART OF FINANCIAL STATEMENTS

## 22. CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

₹ In Lakhs

Sr. No.	Particulars	As At March 31, 2024	As At March 31, 2023
(I)	Due to Micro and Small Enterprises (Refer Note No. 40)	801.03	659.74
(ii)	Due to other than Micro and Small Enterprises	5,764.14	5,531.13
	<b>Total</b>	<b>6,565.17</b>	<b>6,190.87</b>

### 22.1 AGEING OF TRADE PAYABLES-MSME

₹ In Lakhs

Sr. No.	Particulars	As At March 31, 2024	As At March 31, 2023
	<b>UNDISPUTED</b>		
I	Less than One Year	801.03	659.74
II	One to Two Years	0.00	0.00
III	Two to Three Years	0.00	0.00
IV	More Than 3 Years	0.00	0.00
	<b>Total</b>	<b>801.03</b>	<b>659.74</b>
	<b>DISPUTED</b>		
I	Less than One Year	0.00	0.00
II	One to Two Years	0.00	0.00
III	Two to Three Years	0.00	0.00
IV	More Than Three Years	0.00	0.00
	<b>Total</b>	<b>0.00</b>	<b>0.00</b>

### 22.2 AGEING OF TRADE PAYABLES-OTHERS

₹ In Lakhs

Sr. No.	Particulars	As At March 31, 2024	As At March 31, 2023
	<b>UNDISPUTED</b>		
I	Less than One Year	5,764.14	5,531.13
II	One to Two Years	0.00	0.00
III	Two to Three Years	0.00	0.00
IV	More Than Three Years	0.00	0.00
	<b>Total</b>	<b>5,764.14</b>	<b>5,531.13</b>
	<b>DISPUTED</b>		
I	Less than One Year	0.00	0.00
II	One to Two Years	0.00	0.00
III	Two to Three Years	0.00	0.00
IV	More Than 3 Years	0.00	0.00
	<b>Total</b>	<b>0.00</b>	<b>0.00</b>

# NOTES FORMING PART OF FINANCIAL STATEMENTS

## 23. CURRENT FINANCIAL LIABILITIES - OTHERS

₹ In Lakhs

Sr. No.	Particulars	As At March 31, 2024	As At March 31, 2023
(I)	Payables for Capital Goods	3.22	85.19
(ii)	Unpaid / Unclaimed Dividend (Refer Note No. 23.1)	5.15	5.19
	<b>Total</b>	<b>8.37</b>	<b>90.38</b>

23.1 No Unpaid Dividend remains due for payment to the Investor Education and Protection Fund as at March 31, 2024.

## 24. OTHER CURRENT LIABILITIES

₹ In Lakhs

Sr. No.	Particulars	As At March 31, 2024	As At March 31, 2023
(I)	Salary Payable	7.23	2.26
(ii)	Statutory Liabilities	28.93	21.50
	<b>Total</b>	<b>36.16</b>	<b>23.76</b>

## 25. SHORT TERM PROVISIONS

₹ In Lakhs

Sr. No.	Particulars	As At March 31, 2024	As At March 31, 2023
(I)	Current Tax Provision (Net of Advance Tax and Tax Deducted at Source)	76.19	132.03
(ii)	Provision for Expenses	27.55	2.97
	<b>Total</b>	<b>103.74</b>	<b>135.00</b>

## 26. REVENUE FROM OPERATIONS

₹ In Lakhs

Sr. No.	Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>I</b>	<b>REVENUE FROM OPERATIONS</b>		
	Sale of Products		
	Domestic Sales	48,246.67	45,339.04
	Export Sales (*)	10,855.59	15,179.12
	<b>Sale of Services</b>		
	Services Income	2,698.98	1,752.72
		<b>61,801.24</b>	<b>62,270.88</b>
<b>II</b>	<b>OTHER OPERATING REVENUE</b>		
	(*) Earning in Foreign Exchange		
	Export Incentives and Benefits	48.72	90.78
	Grants or Donations Received	0.00	0.00
	Job Work Income	239.99	0.00
	Revenue From Operations (Gross)	62,089.95	62,361.66
	Less: GST Recovered	8,574.36	7,950.44
	Revenue from Operations (Net)	53,515.59	54,411.22
	<b>Net Income</b>	<b>53,515.59</b>	<b>4,411.22</b>



# NOTES FORMING PART OF FINANCIAL STATEMENTS

## 27. OTHER INCOME

₹ In Lakhs

Sr. No.	Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
I	Interest Income	16.67	9.11
II	Profit on Sale of Land / Fixed Assets	0.00	6.41
III	Capital Gain on Sale of SBI Corporate Bonds	0.00	0.00
IV	Other Non Operating Income		
	Gain on Exchange Rate Fluctuation	127.80	213.02
	Rent Income	51.15	16.80
	Miscellaneous Income	3.53	3.00
		182.48	232.82
	<b>Total</b>	<b>199.15</b>	<b>248.34</b>

## 28. COST OF MATERIALS CONSUMED

₹ In Lakhs

Sr. No.	Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>I</b>	<b>RAW MATERIAL</b>		
	Opening Stock	7,705.84	8,647.99
	Add: Purchases	47,511.04	46,793.24
		55,216.88	55,441.23
	Less: Closing Stock	11,106.92	7,705.84
		44,109.96	47,735.39
<b>II</b>	<b>PACKING MATERIAL AND CONSUMABLE STORES</b>		
	Opening Stock	40.98	77.02
	Add: Purchases	802.43	695.52
		843.41	772.54
	Less: Closing Stock	84.67	40.98
		758.74	731.56
	<b>Total</b>	<b>44,868.70</b>	<b>48,466.95</b>

## 29. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

₹ In Lakhs

Sr. No.	Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>I</b>	<b>FINISHED GOODS</b>		
	Opening Stock	3,416.80	1,385.15
	Less: Closing Stock	3,662.63	3,416.80
		(245.83)	(2,031.65)
<b>II</b>	<b>STOCK-IN-TRADE</b>		
	Opening Stock	0.00	0.00
	Less: Closing Stock	0.00	0.00
		0.00	0.00
	<b>Total</b>	<b>(245.83)</b>	<b>(2,031.65)</b>

# NOTES FORMING PART OF FINANCIAL STATEMENTS

## 30. EMPLOYEE BENEFITS EXPENSE

₹ In Lakhs

Sr. No.	Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
II	Salaries, Wages and Bonus	757.92	627.99
II	Directors' Salary Expense	176.40	176.40
III	Contribution to Provident Fund / ESIC / Gratuity	31.47	24.60
IV	Staff Welfare Expenses	2.35	2.80
	<b>Total</b>	<b>968.14</b>	<b>831.79</b>

## 31. FINANCE COSTS

₹ In Lakhs

Sr. No.	Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>I</b>	<b>INTEREST EXPENSE</b>		
	For Short Term Borrowings		
	To Bank	1,107.79	937.96
	To Others	579.38	302.86
	For Others (Term Loan)	18.07	11.50
		<b>1,705.24</b>	<b>1,252.32</b>
<b>II</b>	<b>OTHER BORROWING COSTS</b>		
	Bank Charges and Commission	79.10	91.37
	Bank Loan Processing and Documentation Charges	61.74	94.95
	Interest on Income Tax	11.34	0.00
		<b>152.18</b>	<b>186.32</b>
	<b>Total</b>	<b>1,857.42</b>	<b>1,438.64</b>

## 32. OTHER EXPENSES

₹ In Lakhs

Sr. No.	Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>I</b>	<b>MANUFACTURING EXPENSES</b>		
	Electricity Expenses	199.23	213.38
	Gas and Fuel Expenses	1,125.47	1,259.05
	Freight Inward, Detention, Cartages and Others	173.02	99.27
	Repairs and Maintenance		
	To Buildings	12.32	20.51
	To Plant and Machineries	83.24	82.28
	To Other Assets	20.14	11.25
	CHA Agency Charges - Import	59.14	51.64
	Clearing and Forwarding Expenses	1,071.67	598.85
	Consultancy Expenses - Plant	27.61	27.84
	Job Work Charges	528.82	666.72
	Security Expenses	24.77	24.41

# NOTES FORMING PART OF FINANCIAL STATEMENTS

## 32. OTHER EXPENSES

₹ In Lakhs

Sr. No.	Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
	Bhatthi Consumable Items and Maintenance Expenses	136.38	100.83
	Water Expenses	3.17	0.69
	VAT Expense and VAT Credit not available	0.00	0.00
	Other Manufacturing Expenses	80.05	110.22
		<b>3,545.03</b>	<b>3,266.94</b>
<b>II</b>	<b>SELLING AND DISTRIBUTION EXPENSES</b>		
	Freight Outward, Detention, Cartages and Others	880.83	870.00
	CHA Agency Charges - Export	6.50	8.34
	Clearing and Forwarding Expenses - Export	39.72	42.86
	Commission and Other Expenses	35.71	45.02
	Travelling Expenses		
	For Directors	99.30	61.72
	For Staff and Guests	28.30	21.50
	Business Promotion Expenses	31.77	23.42
	Advertisement Expenses	8.54	3.75
		<b>1,130.67</b>	<b>1,076.61</b>
<b>III</b>	<b>ADMINISTRATIVE EXPENSES</b>		
	Insurance Premium Expenses	32.93	26.32
	Rent Expenses	2.07	1.76
	Rates and Taxes	2.26	5.61
	Payments to Auditors		
	As Auditor		
	Statutory Audit Fees	3.50	3.50
	Tax Audit Fees	0.25	0.25
	For Other Services (Income Tax)	0.10	0.10
	Donation Expenses	0.00	4.76
	Electricity Expenses	(0.15)	1.39
	(Profit) / Loss on LME / Currency Hedging Account	0.00	0.00
	Income Tax Expenses	0.00	0.00
	CSR Expenses	18.00	0.00
	Directors' Sitting Fees	0.46	0.26
	Legal and Professional Fees	77.33	49.69
	License, Membership and Annual Subscription Fees	8.80	2.28
	Listing Fees Expenses	3.35	4.05
	Office Expenses	5.21	0.83
	Penalty Expenses	10.40	8.43
	Petrol and Conveyance Expenses	18.04	14.18
	Postage and Courier Expenses	3.46	5.36
	Printing and Stationery Expenses	7.50	7.47
	ROC and Filling Fees	0.14	0.20
	Sundry Balances Written Off (Net Off)	3.34	(12.18)

# NOTES FORMING PART OF FINANCIAL STATEMENTS

## 32. OTHER EXPENSES

₹ In Lakhs

Sr. No.	Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
	Telephone and Internet Expenses	2.52	2.19
	Other Expenses	28.78	30.54
	<b>Total</b>	<b>228.29</b>	<b>156.99</b>
		<b>4,903.99</b>	<b>4,500.54</b>

## 32.1 C. I. F. VALUE OF IMPORTS

Sr. No.	Particulars	Year Ended March 31, 2024		Year Ended March 31, 2023	
		M.T.	₹ in Lakhs	M.T.	₹ in Lakhs
I	Raw Materials	14,258.72	22,663.00	14,454.19	23,955.95
II	Stores	0.00	0.00	0.00	0.00
III	Capital Goods	0.00	0.00	0.00	0.00

## 32.2 EXPENDITURE IN FOREIGN CURRENCY (ON ACCRUAL BASIS)

₹ In Lakhs

Sr. No.	Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
I	Travelling Expenses	20.88	0.00
II	Commission	11.12	0.00
III	Interest Expenses	43.35	64.09
IV	Bill Discounting Charges	47.44	0.00
	<b>Total</b>	<b>122.79</b>	<b>64.09</b>

## 32.3 EARNINGS IN FOREIGN CURRENCY (ON ACCRUAL BASIS)

₹ In Lakhs

Sr. No.	Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
I	Sale of Products (On FOB Basis)	10,556.08	14,960.63
	<b>Total</b>	<b>10,556.08</b>	<b>14,960.63</b>

## 33. CURRENT TAX

₹ In Lakhs

Sr. No.	Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
I	Current Tax	215.16	0.00
	<b>Total</b>	<b>215.16</b>	<b>0.00</b>

# NOTES FORMING PART OF FINANCIAL STATEMENTS

## 33.1 RECONCILIATION OF INCOME TAX EXPENSE

₹ In Lakhs

Sr. No.	Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
	Accounting Profit Before Tax	971.79	1,098.15
	Set Off of Brought Forward Loss of Earlier Year	124.86	1,098.15
	Profit As Per Income Tax Act	846.93	0.00
	Enacted Income Tax Rate in India applicable to the Company	33.384%	34.944%
	Tax using the Company's Domestic Tax Rate	282.74	0.00
	Tax Effects of:		
	Exempt Income	0.00	0.00
	Deduction Under Chapter VIA	0.00	0.00
	Income Tax Allowances	0.00	0.00
	Non Deductible Expenses	15.82	0.00
	Payment of Income Tax of Earlier Years	3.79	0.00
	Effect of Other Adjustments	0.00	0.00
	Less: Others	87.19	0.00
	<b>Total</b>	<b>215.16</b>	<b>0.00</b>

## 34. EARNINGS PER SHARE

Sr. No.	Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
I	Profit Attributable to the Equity Shareholders (A) ( ₹ in Lakhs)	822.04	1,031.68
II	Basic Number of Equity Shares Outstanding During The Period	15,89,24,050	15,89,24,050
III	Weighted Average Number of Equity Shares Outstanding During The Period (B)	15,89,24,050	15,89,24,050
IV	Weighted Average Number of Equity Shares (Including Convertible Securities, if any) Outstanding During The Period (c)	15,89,24,050	15,89,24,050
V	Nominal Value of Equity Shares (₹)	1.00	1.00
VI	Basic Earnings Per Share [D=A/B] (₹)	0.52	0.65
VII	Diluted Earnings Per Share [E=A/C] (₹)	0.52	0.65

\*Refer Note 48

## 35. CONTINGENT LIABILITIES

₹ In Lakhs

Particulars	As At March 31, 2024	As At March 31, 2023
(a) Claims against the Company / Disputed Liabilities not acknowledged as debts for Custom matters*	41.30	41.30
(b) Claims against the Company / Disputed Liabilities not acknowledged as debt for Income Tax matters**	501.22	501.22
(c) Claims against the Company / Disputed Liabilities not acknowledged as debt for GST matters***	309.29	0.00
(d) Guarantees issued by Bank to Custom Department*	132.35	105.79
(e) Guarantees issued by Bank to Customers and Vendors	970.94	667.12
(f) Sales bills discounted with Financial institution	1424.47	729.20



# NOTES FORMING PART OF FINANCIAL STATEMENTS

\*Litigation pertaining to Custom Tariff / Rate classification at Custom Department on interpretation of the respective law and rules thereunder. The Company has filed appeals before Commissioner of Custom Appeals, Ahmedabad, against the custom demand and according to lawyer's opinion, the Company has sufficient merit to succeed in due course of litigation. The Company has paid duty under protest for ₹ 41.30 Lakhs. The Company has not provided provision for the above since the company's management does not consider that there is any probable loss.

\*\*Litigation pertaining to Income tax of ₹ 501.21 lac, the matters are in CIT (Appeal) and management is of the opinion that, Company has filed appeals before Income Tax CIT (Appeal), against the Assessing officer's Order and according to lawyer's opinion, Company has sufficient merit to succeed in due course of litigation. The Company has not provided provision of expenses for the above since as the company's management does not consider that there is any probable loss.

\*\*\*Litigation pertaining to Export of goods made out of item imported under notification 78/2017-custom dated 13 October 2017, on payment of applicable IGST, further Company has claimed refund of IGST paid on Zero rated supplies made on payment of IGST. The Company has challenged the Show Cause Notice as well as demand order before Honorable High Court of Gujarat. Honorable High Court of Gujarat has granted Ad-interim relief against recovery and directed concerned authority not to make any coercive recovery from the Company. According to lawyer's opinion, the Company has sufficient merit to succeed in due course of litigation. The Company has not provided provision for the above since the company's management does not consider that there is any probable loss.

## 36.SEGMENT REPORTING

In the opinion of the management, the Company is mainly engaged in a single segment of manufacturing and trading of non-ferrous metals and all other activities revolve around the main activity, therefore there are no separate reportable segments as per IndAS 108 "Segment Reporting".

## 37.POST RETIREMENT EMPLOYEE BENEFITS

The disclosures required under Indian Accounting Standard 19 on "Employee Benefits" are given below:

### a) Defined Contribution Plans

Contribution to Defined Contribution Plan, recognized for the year are as under: ₹ In Lakhs

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Employers' Contribution to Provident Fund	10.69	6.89

### b) Defined Benefit Plans

In accordance with Indian Accounting Standard 19, actuarial valuation was done in respect of the aforesaid defined benefit plan based on the following assumptions.

#### Economic Assumptions

The discount rate and salary increases assumed are the key financial assumptions and should be considered together. It is the difference or gap between these rates which is more important than the individual rates in isolation.

#### Discount Rate

The discounting rate is based on the gross redemption yield on medium to long term risk free investments. The estimated term of the benefits / obligations works out to zero years. For the current valuation a discount rate of 7.50% p.a. (Previous Year 7.25% p.a.) compound has been used.

#### Salary Escalation Rate

The salary escalation rate usually consists of at least three components, viz. regular increments, price inflation and

## NOTES FORMING PART OF FINANCIAL STATEMENTS

promotional increases. In addition to this any commitments by the management regarding future salary increases and the Company's philosophy towards employee remuneration are also to be taken into account. Again a long-term view as to trend in salary increase rates has to be taken rather than be guided by the escalation rates experienced in the immediate past, if they have been influenced by unusual factors.

The assumptions used are summarized in the following table:

### 2.1 (a) Table Showing Changes in Present Value of Obligations

₹ In Lakhs

Period	From April 01, 2023 to March 31, 2024	From April 01, 2022 to March 31, 2023
Present value of the Obligation at the Beginning of the Period	42.15	44.43
Interest Cost	3.16	3.22
Current Service Cost	15.82	13.02
Past Service Cost	0.00	0.00
Benefits Paid (if any)	0.00	0.00
Actuarial (Gain) / Loss	(7.39)	(18.51)
Present Value of the Obligation at the End of the Period	53.74	42.15

### 2.1 (b) Bifurcation of Total Actuarial (Gain) / Loss on Liabilities

₹ In Lakhs

Period	From April 01, 2023 to March 31, 2024	From April 01, 2022 to March 31, 2023
Actuarial Gain / Losses from Changes in Demographics Assumptions (Mortality)	Not Applicable	Not Applicable
Actuarial (Gain) / Losses from Changes in Financial Assumptions	(0.74)	(0.58)
Experience Adjustment (Gain) / Loss for Plan Liabilities	(8.13)	(17.93)
Total amount Recognized in Other Comprehensive Income	(7.39)	(18.51)

### 2.2 Key Results (The Amount to be Recognized in the Balance Sheet)

₹ In Lakhs

Period	As At March 31, 2024	As At March 31, 2023
Present Value of the Obligation at the End of the Period	53.74	42.15
Fair Value of Plan Assets at End of Period	0.00	0.00
Net Liability / (Asset) Recognized in Balance Sheet and Related Analysis	53.74	42.15
Funded Status - Surplus / (Deficit)	(53.74)	(42.15)

### 2.3 (a) Expense Recognized in the Statement of Profit and Loss

₹ In Lakhs

Period	From April 01, 2023 to March 31, 2024	From April 01, 2022 to March 31, 2023
Interest Cost	3.16	3.22
Current Service Cost	15.82	13.02
Past Service Cost	0.00	0.00
Expected Return on Plan Asset	0.00	0.00
Expenses to be Recognized in P&L	18.98	16.24

# NOTES FORMING PART OF FINANCIAL STATEMENTS

## 2.3 (b) Other Comprehensive (Income) / Expenses (Re-Measurement)

₹ In Lakhs

Period	From April 01, 2023 to March 31, 2024	From April 01, 2022 to March 31, 2023
Cumulative Unrecognized Actuarial (Gain) / Loss Opening - B/F	(47.91)	(29.40)
Actuarial (Gain) / Loss - Obligation	(7.39)	(18.51)
Actuarial (Gain) / Loss - Plan Assets	0.00	0.00
Total Actuarial (Gain) / Loss	(7.39)	(18.51)
Cumulative Total Actuarial (Gain) / Loss - C/F	(55.30)	(47.91)

## 2.3 (c) Net Interest Cost

₹ In Lakhs

Period	From April 01, 2023 to March 31, 2024	From April 01, 2022 to March 31, 2023
Interest Cost on Defined Benefit Obligation	3.16	3.22
Interest Income on Plan Assets	0.00	0.00
<b>Net Interest Cost (Income)</b>	<b>3.16</b>	<b>3.22</b>

## 2.4 Experience Adjustment

In Lakhs

Period	From April 01, 2023 to March 31, 2024	From April 01, 2022 to March 31, 2023
Experience Adjustment (Gain) / Loss for Plan Liabilities	(8.13)	(17.93)
Experience Adjustment Gain / (Loss) for Plan Assets	0.00	0.00

## 3.1 Summary of Membership Data at the Date of Valuation and Statistics based thereon

Period	As At March 31, 2024	As At March 31, 2023
Number of Employees	279	310
Total Monthly Salary ( ₹ in Lakhs)	45.71	47.61
Average Past Service (Years)	2.10	1.60
Average Future Service (Years)	22.90	24.40
Average Age (Years)	35.10	33.60
Weighted Average Duration (based on Discounted Cash Flows) (in Years)	16.00	16.00
Average Monthly Salary ( ₹ in Lakhs)	0.16	0.15

## 3.2 The Assumptions Employed for the Calculations are tabulated

Period	From April 01, 2023 to March 31, 2024	From April 01, 2022 to March 31, 2023
Discount Rate	7.25 % per annum	7.50 % per annum
Salary Growth Rate	6.00 % per annum	6.00 % per annum
Mortality	IALM 2012-14	IALM 2012-14
Expected Rate of Return (%)	0.00	0.00
Withdrawal Rate (Per Annum)	5.00% p.a.	5.00% p.a.

# NOTES FORMING PART OF FINANCIAL STATEMENTS

## 3.3 Benefits Valued

Period	From April 01, 2023 to March 31, 2024	From April 01, 2022 to March 31, 2023
Normal Retirement Age	58 Years	58 Years
Salary	Last Drawn Qualifying Salary	Last Drawn Qualifying
Vesting Period	5 Years of service	5 Years of service
Benefits on Normal Retirement	15/26 * Salary * Past Service (Years)	15/26 * Salary * Past Service (Years)
Benefit on Early Exit due to Death and Disability	As above except that no vesting conditions apply	As above except that no vesting conditions apply
Limit ( ₹ in Lakhs)	20.00	20.00

## 3.4 Current Liability (\*Expected Payout in Next Year as per Schedule III of the Companies Act, 2013)

Period	As At March 31, 2024	As At March 31, 2023
Current Liability (Short Term)*	12.85	8.70
Non Current Liability (Long Term)	40.90	33.45
<b>Total Liability</b>	<b>53.74</b>	<b>42.15</b>

\*Current Liability: It is probable outlay in next 12 months as required by the Companies Act, 2013.

## 3.5 Effect of plan on Entity's Future Cash Flows

### 3.5 (a) Funding Arrangements and Funding Policy: Not Applicable

### 3.5 (b) Expected Contribution During the Next Annual Reporting Period

	₹ In Lakhs	
The Company's best Estimate of Contribution During the Next Year	21.87	21.42

### 3.5 (c) Maturity Profile of Defined Benefit Obligation

Weighted Average Duration (based on Discounted Cash Flows) (in Years)	16	16
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### 3.5 (d) Maturity Profile of Defined Benefit Obligation - Maturity Analysis of Benefit Obligation

	₹ In Lakhs
April 01 2024 to March 31, 2025	12.85
April 01 2025 to March 31, 2026	0.58
April 01 2026 to March 31, 2027	0.70
April 01 2027 to March 31, 2028	0.71
April 01 2028 to March 31, 2029	1.23
April 01, 2029 Onwards	37.68

## 3.6 Projection for Next Period

	₹ In Lakhs
Best estimate for Contribution During Next Period	21.87

## NOTES FORMING PART OF FINANCIAL STATEMENTS

**3.7: Sensitivity Analysis:** Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below:

Period	As At March 31, 2024
Defined Benefit Obligation (Base)	53,74,258 @ Salary Increase Rate : 6%, and Discount Rate : 7.25%
Liability with x% Increase in Discount Rate	49,51,106; x=1.00% [Change (8)% ]
Liability with x% Decrease in Discount Rate	58,75,871; x=1.00% [Change 9% ]
Liability with x% Increase in Salary Growth Rate	58,77,099; x=1.00% [Change 9% ]
Liability with x% Decrease in Salary Growth Rate	49,42,644; x=1.00% [Change (8)% ]
Liability with x% Increase in Withdrawal Rate	53,65,193; x=1.00% [Change 0% ]
Liability with x% Decrease in Withdrawal Rate	53,75,965; x=1.00% [Change 0% ]

### 3.8 Reconciliation of Liability in Balance Sheet

₹ In Lakhs

Period	From April 01, 2023 to March 31, 2024	From April 01, 2022 to March 31, 2023
Opening Gross Defined Benefit Liability / (Asset)	42.15	44.43
Expenses to be Recognized in P&L	18.98	16.24
OCI - Actuarial (Gain) / Loss - Total Current Period	(7.39)	(18.51)
Benefits Paid (If Any)	0.00	0.00
Closing Gross Defined Benefit Liability / (Asset)	53.74	42.15

### 38. CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the provisions of Section 135(5) of the Companies Act, 2013 (the Act), the Company has formed its Corporate Social Responsibility (CSR) Committee. As per the relevant provisions of the Act read with Rule 2(1)(f) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company is required to spend at least 2% of the average net profits (determined under Section 198 of the Companies Act, 2013) made during the immediately three preceding financial years. The Company has incurred the following expenditure on CSR activities during the Financial Year 2023-24:

₹ In Lakhs

Particulars	2023-24	2022-23
Prescribed CSR Expenditure (2% of Average Net Profit)	17.42	0.00
Add: CSR Expenses Pending up to March 31, 2024	(0.22)	(0.22)
Less: CSR Expenditure incurred during the Financial Year	18.00	0.00
<b>Short / (Excess) Spent during the year</b>	<b>(0.80)</b>	<b>(0.22)</b>



# NOTES FORMING PART OF FINANCIAL STATEMENTS

## 39. DERIVATIVE INSTRUMENTS

(a) The amount of foreign currency exposures that are hedged by a derivative instrument or otherwise as at March 31, 2024 and March 31, 2023 are as under:

Particulars	As At March 31, 2024			As At March 31, 2023		
	No. of Contracts	In Lakhs	₹ In Lakhs	No. of Contracts	In Lakhs	₹ In Lakhs
Forward Contract (USD Sold)	0.00	0.00	0.00	0.00	0.00	0.00
Purpose - Hedge of Highly Probable Foreign Currency	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

(b) The amount of foreign currency exposures that are not hedged by a derivative instrument or otherwise as at March 31, 2024 and March 31, 2023 are as under:

Particulars	As At March 31, 2024		As At March 31, 2023	
	In Lakhs	₹ In Lakhs	In Lakhs	₹ in Lakhs
<b>RECEIVABLES</b>				
Loans and Advances Given (in USD)	6.36	532.74	4.62	379.90
Trade Receivables (in USD)	10.04	840.70	18.38	1,512.17
<b>PAYABLES</b>				
Trade Payables (in USD)	5.26	440.32	12.64	1,039.56
Payable for Capital Goods (in USD)	0.00	0.00	0.00	0.00
<b>Net Receivable / (Payable)</b>	<b>11.14</b>	<b>933.12</b>	<b>10.36</b>	<b>852.51</b>

40. Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 as at March 31, 2024 is provided as under to the extent the Company has received information from the "Suppliers" regarding their status under the said Act.

Sr. No.	Particulars	₹ In Lakhs	
		As At March 31, 2024	As At March 31, 2023
I	Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act):		
	Principal amount due to Micro, and Small Enterprises	801.03	659.74
	Interest due there on	0.00	0.00
II	Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the period.	0.00	0.00
III	Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro,	0.00	0.00

# NOTES FORMING PART OF FINANCIAL STATEMENTS

Sr. No.	Particulars	As At March 31, 2023	As At March 31, 2022
IV	Small and Medium Enterprises Development Act, 2006. The amount of interest accrued and remaining unpaid at the end of each accounting year.	0.00	0.00
V	Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the Small Enterprises.	0.00	0.00

**Note:** : The Company had sought confirmation from its vendors on their status under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act") which came into force from October 02, 2006. Dues to the Micro and Small Enterprises have been determined to the extent confirmation received by the Company from its vendors. This has been relied upon by the Auditors.

## 41. RELATED PARTY DISCLOSURES AS PER INDIAN ACCOUNTING STANDARD-24

### (A) RELATED PARTIES

#### (a) KEY MANAGEMENT PERSONNEL (KMP)

Mr. Mahendra R. Shah - Chairman & Wholetime Director  
Mr. Jatin M. Shah - Managing Director  
Mrs. Pushpa M. Shah - Director

#### (b) RELATIVES OF KEY MANAGEMENT PERSONNEL

Mrs. Rani J. Shah - Wife of Managing Director

#### (c) ENTITIES CONTROLLED BY DIRECTORS OR THEIR RELATIVES (with whom transactions entered into during the financial year)

Krish Ferro Industries Private Limited - Sister Concern  
Mahendra Corporation - Sister Concern

₹ In Lakhs

(B) TRANSACTIONS WITH RELATED PARTIES	KMP & their Relatives		Entities Controlled by Directors or their Relatives		Total	
	As At March 31, 2024	As At March 31, 2023	As At March 31, 2024	As At March 31, 2023	As At March 31, 2024	As At March 31, 2023
<b>EXPENSES</b>						
Purchase and Job work Charges	0.00	0.00	1,430.31	269.28	1,430.31	269.28
Remuneration	195.68	195.68	0.00	0.00	195.68	195.68
<b>INCOME</b>						
Sales and Job Work Income	0.00	0.00	0.00	124.50	0.00	124.50
Rent Income	0.00	0.00	1.89	1.80	1.89	1.80

# NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ In Lakhs

BALANCES OUTSTANDING	Payable		Receivable	
	As At March 31, 2024	As At March 31, 2023	As At March 31, 2024	As At March 31, 2023
Key Management Personnel and their Relatives	772.17	801.15	0.00	0.00
Entities Controlled by Directors or their Relatives	990.38	0.00	0.00	0.00

Note:

- The above related party transactions have been reviewed periodically by the Board of Directors of the Company vis-à-vis the applicable provisions of the Companies Act, 2013, and justification of the rates being charged / terms thereof have also been approved.
- The details of guarantees and collaterals extended by the related parties in respect of borrowings of the Company have been given at the respective notes.

## (C) DISCLOSURE IN RESPECT OF RELATED PARTY WISE TRANSACTIONS

₹ In Lakhs

Particulars	2022-24	2021-23
<b>EXPENSES</b>		
<b>Purchase and Job Work Charges</b>		
Krish Ferro Industries Private Limited	699.49	28.91
Mahendra Corporation	730.83	240.37
<b>Total</b>	<b>1,430.31</b>	<b>269.28</b>
<b>Remuneration*</b>		
Mr. Mahendra R. Shah	73.56	73.56
Mr. Jatin M. Shah	73.56	73.56
Mrs. Pushpa M. Shah	29.28	29.28
Mrs. Rani J. Shah	19.28	19.28
<b>Total</b>	<b>195.68</b>	<b>195.68</b>

\*The remuneration to the key managerial personnel does not include the provisions made for gratuity, as it is determined on actuarial basis for the Company as a whole.

₹ In Lakhs

Particulars	2022-24	2021-23
<b>INCOME</b>		
<b>Sales and Job Work Income</b>		
Krish Ferro Industries Private Limited	0.00	93.62
Mahendra Corporation	0.00	30.88
<b>Total</b>	<b>0.00</b>	<b>124.50</b>
<b>Rent Income</b>		
Mahendra Corporation	0.00	0.00
Krish Ferro Industries Private Limited	1.89	1.80
<b>Total</b>	<b>1.89</b>	<b>1.80</b>

# NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ In Lakhs

PARTY WISE OUTSTANDING BALANCES	Payable		Receivable	
	As At March 31, 2024	As At March 31, 2023	As At March 31, 2024	As At March 31, 2023
<b>KMPs AND THEIR RELATIVES</b>				
Mr. Mahendra R. Shah	181.24	153.14	0.00	0.00
Mr. Jatin M. Shah	379.87	476.14	0.00	0.00
Mrs. Pushpa M. Shah	211.06	171.86	0.00	0.00
<b>Total</b>	<b>772.17</b>	<b>801.15</b>	<b>0.00</b>	<b>0.00</b>
<b>ENTITIES CONTROLLED BY DIRECTORS OR THEIR RELATIVES</b>				
Krish Ferro Industries Private Limited	455.45	0.00	0.00	0.00
Mahendra Corporation	534.93	0.00	0.00	0.00
<b>Total</b>	<b>990.38</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

## 42. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS

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

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

1. Fair values of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short-term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on the evaluation, allowances are taken to account for the expected losses of these receivables.

The company uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation technique:

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

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

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

# NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ In Lakhs

## I. FIGURES AS AT MARCH 31, 2023

Particulars	Carrying Amount	Fair value		
	As at March 31, 2023	Level 1	Level 2	Level 3
<b>Financial Assets at Amortized Cost</b>				
Bank Deposits (Non-Current)	0.00	0.00	0.00	0.00
Other Non-Current Financial Assets	137.40	0.00	137.40	0.00
Trade Receivables	5,706.86	0.00	5,706.86	0.00
Cash and Cash Equivalents	751.19	0.00	751.19	0.00
Bank Balances Other than Cash and Cash Equivalents	160.17	0.00	160.17	0.00
Security Deposits (Current)	0.00	0.00	0.00	0.00
Other Current Financial Assets	1,137.03	0.00	1,137.03	0.00
<b>Total</b>	<b>7,892.65</b>	<b>0.00</b>	<b>7,892.65</b>	<b>0.00</b>
<b>Financial Assets at Fair Value through Other Comprehensive Income</b>				
Investments (Current)	2.02	2.02	0.00	0.00
Investments (Non-Current)	0.00	0.00	0.00	0.00
<b>Total</b>	<b>2.02</b>	<b>2.02</b>	<b>0.00</b>	<b>0.00</b>
<b>Financial Liabilities at Amortized Cost</b>				
Borrowings (Non-Current)	3,530.49	0.00	3,530.49	0.00
Borrowings (Current)	7,684.40	0.00	7,684.40	0.00
Trade Payables	6,190.87	0.00	6,190.87	0.00
Security Deposits (Current)	0.00	0.00	0.00	0.00
Other Financial Liabilities (Current)	249.14	0.00	249.14	0.00
<b>Total</b>	<b>17,654.90</b>	<b>0.00</b>	<b>17,654.90</b>	<b>0.00</b>

## II. FIGURES AS AT MARCH 31, 2024

Particulars	Carrying Amount	Fair value		
	As at March 31, 2024	Level 1	Level 2	Level 3
<b>Financial Assets at Amortized Cost</b>				
Bank Deposits (Non-Current)	0.00	0.00	0.00	0.00
Other Non-Current Financial Assets	109.97	0.00	109.97	0.00
Trade Receivables	5,335.48	0.00	5,335.48	0.00
Cash and Cash Equivalents	38.29	0.00	38.29	0.00
Bank Balances Other than Cash and Cash Equivalents	203.72	0.00	203.72	0.00
Security Deposits (Current)	0.00	0.00	0.00	0.00
Other Current Financial Assets	772.68	0.00	772.68	0.00
<b>Total</b>	<b>6,460.14</b>	<b>0.00</b>	<b>6,460.14</b>	<b>0.00</b>
<b>Financial assets at fair value through Other Comprehensive Income</b>				
Investments (Current)	2.70	2.70	0.00	0.00
Investments (Non-Current)	0.00	0.00	0.00	0.00
<b>Total</b>	<b>2.70</b>	<b>2.70</b>	<b>0.00</b>	<b>0.00</b>
<b>Financial Liabilities at Amortized Cost</b>				
Borrowings (Non-Current)	2,785.39	0.00	2,785.39	0.00
Borrowings (Current)	9,186.68	0.00	9,186.68	0.00
Trade Payables	6,565.17	0.00	6,565.17	0.00
Security Deposits (Current)	0.00	0.00	0.00	0.00
Other Financial Liabilities (Current)	148.27	0.00	148.27	0.00
<b>Total</b>	<b>18,685.51</b>	<b>0.00</b>	<b>18,685.51</b>	<b>0.00</b>



## NOTES FORMING PART OF FINANCIAL STATEMENTS

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During the reporting periods ended March 31, 2024 and March 31, 2023, there were no transfers between Level 1 and Level 2 fair value measurements.

The carrying amounts of financial assets and financial liabilities measured at amortized 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.

43. During the year, interest cost of ₹ NIL (Previous Year ₹ 12.31 Lakhs) has been capitalized by way of addition to Plant and Equipments up to the date of put to use of assets.

### 44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities are exposed to variety of financial risks. The key financial risks include market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors reviews and approves policies for managing risks. The risks are governed by appropriate policies and procedures and accordingly financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

#### MARKET RISK

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loan borrowings.

The Company manages market risk through its treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by the Senior Management. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies and ensuring compliance with market risk limits and policies.

#### Interest Rate Risk

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

Refer Note 18 and 21 for interest rate profile of the Company's interest-bearing financial instrument at the reporting date.

# NOTES FORMING PART OF FINANCIAL STATEMENTS

## Exposure to Interest Rate Risk

₹ In Lakhs

Particulars	As At	As At
	March 31, 2024	March 31, 2023
Borrowings Bearing Fixed Rate of Interest	2,936.85	3,383.92
Borrowings Bearing Variable Rate of Interest (In Rupees)	8,263.05	7,029.82
Borrowings Bearing Variable Rate of Interest (In USD)	0.00	0.00

## Interest Rate Sensitivity

A change of 50 bps in interest rates would have following impact on Profit Before Tax

₹ In Lakhs

Particulars	2023-24	2022-23
50 bps Increase-Decrease in Profits	(56.43)	(50.95)
50 bps Decrease-Increase in Profits	56.43	50.95

## Market Risk - Foreign Currency

The Company operates locally, however, the nature of its operations requires it to transact in several currencies and consequently the Company is exposed to foreign exchange risk in various foreign currencies.

The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies.

## I. Foreign Currency Exposure

Particulars	As At March 31, 2024		As At March 31, 2023	
	in Lakhs	₹ in Lakhs	in Lakhs	₹ in Lakhs
<b>RECEIVABLES</b>				
Loans and Advances Given (in USD)	6.36	532.74	4.62	379.90
Trade Receivables (in USD)	10.04	840.70	18.38	1,512.17
<b>Total Receivables</b>	<b>16.40</b>	<b>1,373.44</b>	<b>23.00</b>	<b>1,892.07</b>
<b>PAYABLES</b>				
Trade Payables (in USD)	5.26	440.32	12.64	1,039.56
Payable for Capital Goods (in USD)	0.00	0.00	0.00	0.00
<b>Total Payables</b>	<b>5.26</b>	<b>440.32</b>	<b>12.64</b>	<b>1,039.56</b>
<b>Net Receivable / (Payable)</b>	<b>11.14</b>	<b>933.12</b>	<b>10.36</b>	<b>852.51</b>

# NOTES FORMING PART OF FINANCIAL STATEMENTS

## II. Foreign Currency Sensitivity

5% increase or decrease in foreign exchange rates will have the following impact on the profit before tax

Currency	2023-24		2022-23	
	5% Increase	5% Decrease	5% Increase	5% Decrease
USD	46.64	(46.64)	42.62	(42.62)
Total	46.64	(46.64)	42.62	(42.62)

## Other Price Risk

The Company is not exposed to any kind of price risk arising as at March 31, 2024.

## CREDIT RISK

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivable (Refer note no. 10.2). Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is significant increase in credit risk, the company compares the risk of a default occurring on the asset at the reporting date with the risk of default on the date of initial recognition. It considers reasonable and supportive forward-looking information such as:

- (i) Actual or expected significant adverse changes in business,
- (ii) Actual or expected significant changes in the operating results of the counterparty,
- (iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligation.
- (iv) Significant increase in credit risk on other financial instruments of the same counterparty, and
- (v) Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with

the Company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 2 years past due. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

## LIQUIDITY RISK

Liquidity Risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at reasonable price. The company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by the senior management. Management monitors the company's net liquidity position through rolling forecast on the basis of expected cash flows.

# NOTES FORMING PART OF FINANCIAL STATEMENTS

## Maturity Profile of Financial Liabilities

The below table provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

₹ In Lakhs

Particulars	As At March 31, 2024			As At March 31, 2023		
	Less than 1 year	1 to 5 years	Total	Less than 1 year	1 to 5 years	Total
Non-Current Financial Liabilities - Borrowings	0.00	2,785.39	2,785.39	0.00	3,530.49	3,530.49
Non-Current Financial Liabilities - Others	0.00	0.00	0.00	0.00	0.00	0.00
Current Financial Liabilities - Borrowings	9,186.68	0.00	9,186.68	7,684.40	0.00	7,684.40
Current Financial Liabilities - Trade Payables	6,565.17	0.00	6,565.17	6,190.87	0.00	6,190.87
Current Financial Liabilities - Others	148.27	0.00	148.27	249.14	0.00	249.14
<b>Total</b>	<b>15,900.12</b>	<b>2,785.39</b>	<b>18,685.51</b>	<b>14,124.42</b>	<b>3,530.49</b>	<b>17,654.90</b>

## Capital Management

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital Management is to maximize shareholders' value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirement of the financial covenants.

The Company monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

₹ In Lakhs

Particulars	As At March 31, 2024	As At March 31, 2023
Total Debt	11,972.07	11,214.89
Less: Cash and Cash Equivalent	38.29	751.19
Less: Bank Balances Other than Cash and Cash Equivalents	203.72	160.17
Net Debt	11,730.06	10,303.53
Equity	9,635.91	8,808.49
<b>Capital and Net Debt</b>	<b>21,365.97</b>	<b>19,112.02</b>
<b>Gearing Ratio</b>	<b>0.55</b>	<b>0.54</b>

45. In the opinion of the Board of Director, current assets, non-current loans and advances are realizable in the ordinary course of business, at the value at which they are stated. The provision for all known liabilities are adequate and not in excess of the amount reasonably necessary.
46. The Company has incurred premium expenses of ₹ 8.88 Lakhs during the year ( ₹ 5.11 Lakhs during previous year 2022-23) on Key Man Insurance Policy of Managing Director, which is included in Insurance Expenses.
47. Sale of Services contain total management service of steel production on behalf of JSW Steel Limited, Dolvi Plant. This service covers the feeding of raw materials viz; CaFeAl, Pure Calcium Cored Wire, Ferro Boron Cored Wire and Ferro Titanium Cored Wire products and manpower required for the same during production

## NOTES FORMING PART OF FINANCIAL STATEMENTS

of liquid steel.

48. During the financial year 2022-23, pursuant to approval of the members on October 21, 2022, The issued capital was 1,58,92,405 equity shares of face value of ₹ 10/- each as on the record date, i.e. November 14, 2022 (end of the day), are sub- divided into 15,89,24,050 equity shares of face value of ₹ 1/- each.
49. During the year, the Company has been sanctioned working capital limits at points of time during the year, from banks or financial institutions on the basis of security of current assets. The quarterly returns and statements comprising (stock statements, book debt statements, credit monitoring arrangement reports, statements on ageing analysis of the debtors / other receivables, and other stipulated financial information) filed by the Company with such banks or financial institutions are in agreement with the audited books of account of the Company, of the respective quarters, except for the following:

₹ In Lakhs

For the Quarter ended	Sanctioned amount to which discrepancies relates	Details of Discrepancies		Amount			Remarks (Including subsequent rectification if any)
		Nature of current assets	Nature of discrepancy	As per Qtr. Returns	As per books	Difference	
Jun-23	8,270 Lakhs	Stock and Debtors	Diff. in valuation	13,209.41	13,261.86	52.45	There is no material difference. It is due to change in cost valuation in some product during audit, difference arises
Sep-23	8,270 Lakhs	Stock and Debtors	Diff. in valuation	15,230.59	15,287.18	56.59	There is no material difference. It is due to change in cost valuation in some product during
Dec-23	8,270 Lakhs	Stock and Debtors	Diff. in valuation	14,329.10	14,381.41	52.31	There is no material difference. It is due to change in cost valuation in some product during
Mar-24	8,270 Lakhs	Stock and Debtors	Diff. in valuation	14,769.55	14,854.22	84.67	There is no material difference. It is due to change in cost valuation in some product during

50. The Company has neither made any investments nor has it given loans or provided guarantee to promoters, directors, KMPs and the related parties during the year.
51. During the year, borrowed term loans were applied for the purpose for which the loans were obtained. During the year, no funds raised on short-term basis have been used for long-term purposes by the Company.
52. The Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
53. The Board of Directors has approved to allot 97,98,432 equity shares on March 18, 2024, at an issue price of ₹ 53.58/- (Rupees Fifty Two and paisa Fifty Eight per equity share of the face value of ₹ 1/- (Rupee One) each, aggregating to ₹ 5,250 Lakhs, at an issue price determined in accordance with the provisions of Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations



## NOTES FORMING PART OF FINANCIAL STATEMENTS

2018 to JFE Shoji India Private Limited, on a private placement basis. It is for the information to the members since it is the events occurred after the Balance sheet date.

54. During the year, the Company has not made any transactions with companies struck off under section 248 of the Companies Act, 2013.

### 55. RATIOS

Key Financial Ratios	Numerator	Denominator	Mar-24	Mar-23	% Variance	Reason For Variance
	(₹ In Lakhs)					
Current Ratio Current Assets/ (Current Liabilities)	21,864.36	15,900.12	<b>1.38</b>	1.41	-2.54%	
Debt-Equity Ratio (x)	11,972.07	9,635.91	<b>1.24</b>	1.27	-2.42%	Improved
Debt-Service Ratio (PBDIT / Interest)	3,219.74	1,857.42	<b>1.73</b>	2.01	-13.77%	
Return on Equity (PAT / Net Worth)	822.04	9,635.91	<b>8.53%</b>	11.71%	-27.16%	
Inventory Turnover Ratio	14,854.22	53,515.59	<b>27.76%</b>	20.52%	35.29%	
Trade Receivable Turnover Ratio	5,335.48	53,515.59	<b>9.97%</b>	10.49%	-4.94%	Improved
Trade Payable Turnover Ratio	6,565.17	53,515.59	<b>12.27%</b>	11.38%	7.82%	
Net Capital Turnover Ratio	9,635.91	53,515.59	<b>18.01%</b>	16.19%	11.22%	
Net Profit / Net Sales	822.04	53,515.59	<b>1.54%</b>	1.90%	-18.99%	
Return on Capital Employed (PBDIT / Capital Employed)	3,219.74	21,607.98	<b>14.90%</b>	14.44%	3.17%	Improved on account of increase in Margins and Sales during the financial year 2023-24 in compare to previous year 2022-23.
Return on Investment	NA	NA	<b>NA</b>	NA	NA	NA

## NOTES FORMING PART OF FINANCIAL STATEMENTS

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56. The company has not traded or invested in crypto currency or virtual currency during the year.
57. Balance of Trade receivables, Trade payables, loans and advances are subject to confirmation from the respective parties.
58. Previous year's figures have been regrouped, reclassified and rearranged wherever considered necessary to confirm to current year presentation.

As per our Report of even date attached

### For Raman M. Jain & Co.,

Chartered Accountants

Firm Registration No.: 113290W

### Raman M. Jain

(Partner)

(Membership No.: 045790)

UDIN: 2404579013KBOBY9486

Place: Chhatral - Gandhinagar

Date: 20-05-2024

### For and on Behalf of Board of Directors

#### Mahendra R. Shah

(Chairman & Whole  
Time Director)

#### Pushpa M. Shah

(Executive Director)

#### Saloni Hurkat

(Company Secretary)

#### Jatin M. Shah

(Managing Director)

#### Pawan Kumar Lohiya

(Chief Financial Officer)



## ARFIN INDIA LIMITED

### REGISTERED OFFICE :

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Behind Prestige Hotel,  
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Gandhinagar-382729  
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Fax : +91 02764-232620  
Gujarat, India

### FACTORY :

118/1, 2, 3, 4 & 117/P-3, 6, 7,  
Ravi Industrial Estate, Behind Hotel Prestige,  
Billeshwarpura, Taluka - Kalol,  
District - Gandhinagar,  
Chhatral - 382729, Gujarat, India.  
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