

Arex Industries Ltd. (CIN: L99999GJ1989PLC012213)
MANUFACTURERS OF GARMENT LABELS

Plant & Regd. Office : 612, G.I.D.C. Estate, Chhatral, Tal. Kalol, Dist. Gandhinagar 382 729, Gujarat, INDIA.
Phone : +91 2764 233437 Fax : +91 2764 233635 E-mail : mail@arex.in



Date: September 06, 2024

To,
BSE LIMITED
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400001.

Scrip ID/Code : AREXMIS/526851

Subject : Public Announcement for Buyback of Equity Shares.

Ref : Disclosure under Regulation 30 and 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

Dear Sir/Madam,

This is in furtherance of our letter dated August 06, 2024 and September 04, 2024, informing the decision of the board of directors and the Members of the Company, respectively, to buyback up to 3,60,000 (Three Lakh sixty thousand) fully paid-up equity shares of face value of ₹10 each at ₹195 (Rupees One hundred Ninety-five only) per equity share for an aggregate amount not exceeding ₹7,02,00,000 (Rupees Seven Crore Two Lakh only) excluding transaction costs, applicable taxes and other incidental and related expenses ("Buyback").

This is to inform you that in compliance with Regulation 30 read with Schedule III Part A Para A & Regulation 47 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the copies of Public Announcement dated September 05, 2024 published in the following newspapers on September 06, 2024:

1. Financial express – all editions (English),
2. Jansatta– all editions (Hindi) and;
3. Financial express – Gujarati all edition (Gujarati newspaper, Gujarati being the regional language where the registered office is situated).

Further, it has been filed with the Securities and Exchange Board of India, in accordance with Regulation 7(i) read with Schedule II of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018.

The above information is also being made available on the website of the Company www.arex.in.

You are requested to kindly take the same on record.

Thanking You,

Yours faithfully,

For Arex Industries Limited

Neel Dinesh Bilgi
Digitally signed by Neel Dinesh Bilgi
Date: 2024.09.06
13:02:49 +05'30'

Neel Dinesh Bilgi
(Managing Director)
DIN: 00096180

Encl: as above

AREX INDUSTRIES LIMITED

Corporate Identification Number: L99999GJ1989PLC012213
 Regd. Off.: 612, GIDC Industrial Estate, Chhatral Tal. Kalol, Gandhinagar, Gujarat, India, 382729
 Tel. No.: 02764-233437 | E-mail: mail@arex.in; | Website: www.arex.in
 Company Secretary and Compliance Officer: Kairavi Bilgi

PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF EQUITY SHAREHOLDERS / BENEFICIAL OWNERS OF EQUITY SHARES OF AREX INDUSTRIES LIMITED FOR THE BUY-BACK OF EQUITY SHARES THROUGH THE TENDER OFFER PROCESS IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (BUY-BACK OF SECURITIES) REGULATIONS, 2018, AS AMENDED ("BUY-BACK REGULATIONS")

This Public Announcement ("Public Announcement" or "PA") is being made in relation to the Buy-Back of Equity Shares of Arex Industries Limited through the tender offer process, pursuant to Regulation 7(i) and other applicable provisions of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, for the time being in force including any statutory modifications and amendments from time to time ("SEBI Buy-Back Regulations") and contains the disclosures as specified in Schedule II read with Schedule I of the SEBI Buy-Back Regulations.

OFFER FOR BUY-BACK OF UP TO 3,60,000 (THREE LAKH SIXTY THOUSAND ONLY) FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH (RUPEES TEN ONLY) ON A PROPORTIONATE BASIS THROUGH THE TENDER OFFER PROCESS USING STOCK EXCHANGE MECHANISM AT A PRICE OF RS. 195/- (RUPEES ONE HUNDRED NINETY-FIVE ONLY) PER FULLY PAID-UP EQUITY SHARE, FOR AN AGGREGATE MAXIMUM AMOUNT NOT EXCEEDING RS. 7,02,00,000/- (RUPEES SEVEN CRORE TWO LAKH ONLY) (THE "BUYBACK") PAYABLE IN CASH EXCLUDING THE TRANSACTION COST.

Certain figures in this Public Announcement, including the financial information, have been subject to rounding off adjustments. All decimals have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

1. DETAILS OF THE BUY-BACK OFFER AND BUY-BACK PRICE

1.1 The Board of Directors of Arex Industries Limited (the "Company") (the "Board" or the "Board of Directors") at its meeting held on August 06, 2024 ("Board Meeting"), wherein the Board has, subject to the approval of the members of the Company by way of Special Resolution through EGM, and pursuant to the provisions of Articles of Association of the Company and Section 68, 69, 70 and all other applicable provisions, if any, of the Companies Act, 2013, the Companies (Share Capital and Debenture) Rules, 2014 to the extent applicable, (the "Share Capital Rules"), and in compliance with the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 ("SEBI Buy-back Regulations"), including any statutory modifications or re-enactments thereof and subject to approval of SEBI, the BSE Limited ("BSE") where the equity shares of the Company are listed and such other approvals of statutory, regulatory or governmental authorities as may be required under applicable laws, passed a resolution and has approved the Buy-Back of fully paid-up Equity Shares up to 3,60,000 (Three Lakh Sixty thousand) Equity Shares from the equity shareholders/beneficial owners of Equity Shares as on record date i.e. September 07, 2024 (the "Record Date") (for further details in relation to the Record Date, refer to Paragraph 14 of this Public Announcement), on a proportionate basis, through the "Tender Offer" process by using Stock Exchange Mechanism, at a price of Rs. 195/- (Rupees One Hundred Ninety-five Only) ("Buy-Back Offer Price"), payable in cash, for an aggregate amount not exceeding Rs. 7,02,00,000/- (Rupees Seven Crore Two Lakh only) (the "Buy-Back Offer Size") (the process being referred hereinafter as the "Buy-Back") which is 9.09% of the total no. of shares in the paid-up equity share capital of the Company. The Buy-Back Offer Size and the Buy-Back Offer Price do not include taxes payable under Income-tax Act, 1961 and any expenses incurred or to be incurred for the Buy-Back viz., brokerage, costs, fees, turnover charges, taxes such as securities transaction tax and goods and services tax (if any), stamp duty, advisors fees, printing and dispatch expenses and other incidental and related expenses and charges ("Transaction Costs"). The Buy-Back shall be within 25% of the aggregate of paid-up capital and free reserves of the Company as per the audited financial statements of the Company for the financial year ending March 31, 2024. The Buy-Back Offer Size constitutes 22.45% of the aggregate of the Company's paid-up capital and free reserves as per the audited financial statement of the Company for the financial year ending March 31, 2024 which is within the prescribed limit of 25%.

1.2 Since the Buy-Back is more than 10% of the total paid-up equity share capital and free reserves of the Company, in terms of Section 68(2) (b) of the Act, the Board sought approval of the shareholders of the Company, by way of a special resolution, pursuant to the EGM dated September 04, 2024 (the "EGM"), the results of which were announced on September 04, 2024.

1.3 The Buy-Back shall be undertaken on a proportionate basis from the equity shareholders of the Company as on the Record Date ("Eligible Shareholders") through the tender offer process prescribed under Regulation 4(iv) (a) of the SEBI Buy-back Regulations. Additionally, the Buy-Back shall be, subject to applicable laws, implemented by tendering of Equity Shares by Eligible Shareholders and settlement of the same through the stock exchange mechanism as specified in the circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, circular no. CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and SEBI Circular CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021 and other applicable circular issued by the Securities and Exchange Board of India ("SEBI"). In this regard, the Company will request BSE to provide the acquisition window to facilitate tendering of Equity Shares under the Buy-Back. Accordingly, Equity shares may be tendered through BSE. For the purpose of Buy-Back, BSE Limited would be Designated Stock Exchange.

1.4 Participation in the Buy-Back by Eligible Shareholders may trigger tax on distributed income to such shareholders (Buy-back Tax) in India and such tax is to be discharged by the Company as per the procedure laid down in the applicable provisions of the Income-tax Act, 1961 read with any applicable rules framed thereunder. Consequently, any income received by Eligible Shareholders pursuant to the Buy-Back of shares is exempt and hence not includable in the total taxable income of such shareholders. The transaction of Buy-Back would also be chargeable to securities transaction tax in India. Participation in the Buy-Back by non-resident Eligible Shareholders may trigger capital gains tax in the hands of such shareholders in their country of residence. In due course, the Eligible Shareholders will receive a letter of offer, which will contain a more detailed note on taxation. However, in view of the particularized nature of tax consequences, the Eligible Shareholders are advised to consult their own legal, financial and tax advisors prior to participating in the Buy-Back.

1.5 The Company is in compliance with the Regulation 38 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and will comply with the said Regulation at all times during the Buyback Period. Pursuant to the proposed Buyback and depending on the response to the Buyback, the voting rights of the members of the Promoter and Person in Control in the Company may increase or decrease from their existing shareholding in the total equity capital and voting rights of the Company. The Company confirms that after the completion of the Buyback, if it resulting in fall in minimum public shareholding requirements as specified in Regulation 38 of the SEBI Listing Regulations, the Company shall increase its public shareholding as specified in Regulation 38 and shall ensure the compliance with the requirement of minimum public shareholding requirements of the Company.

1.6 The Buy-Back Offer Price has been arrived at after considering various factors including, but not limited accumulated free reserves as well as the cash liquidity reflected in audited financial statements of the Company for the financial year March 31, 2024, the subsequent business developments, the prevailing market price of the equity shares of the Company before the announcement of Board Meeting for consideration of Buy-Back, the net worth of the Company and the impact of the Buy-Back on the key financial ratios of the Company. However, the Board of Directors/ or the Buy-Back Committee is authorised to determine the specific price, the number of Equity Shares and other related particulars at which the Buy-Back will be made as per the Record Date to the eligible Members. The Buy-Back Offer Price represents a premium of 24.07% over the volume weighted Average market Price (i.e. Rs. 157.16) of the equity share of the Company on BSE Limited, during 91 days (from May 02, 2024 to July 31, 2024 where the number of trading days in this period is 63 days), including the date on which the Company intimated to the Stock Exchange (i.e. July 31, 2024) of the date of the meeting of the Board wherein proposal of the Buy-Back was considered.

1.7 A copy of this Public Announcement is available on the Company's website i.e., www.arex.in, and is expected to be made available on the website of SEBI i.e., www.sebi.gov.in and on the websites of Stock Exchanges, i.e., www.bseindia.com, website of Manager to the offer: www.ifinservices.in during the period of the Buy-Back.

2. NECESSITY FOR BUY-BACK

2.1 Share Buy-Back is the acquisition by a company of its own shares. The Board is of the view that the proposed Buy-Back will help the Company achieve the following objectives (a) Optimize returns to shareholders; (b) Enhance overall shareholders value and (c) Optimize the capital structure and enhance investors confidence. The above objectives will be achieved by returning part of surplus cash back to shareholders through the Buy-Back process. This may lead to reduction in outstanding Equity Shares, improvement in earnings per Equity Share and enhanced return on invested capital. The Buy-Back will not in any manner impair the ability of the Company to pursue growth opportunities or meet its cash requirements for business operations. The Board at its meeting held on August 06, 2024 considered the accumulated free reserves as well as the cash liquidity reflected in the last audited financial statements as on March 31, 2024 and considering these, the Board decided to allocate a sum of Rs. 7,02,00,000/- (Rupees Seven Crore Two Lakh only) excluding the Transaction Costs for distributing to the shareholders holding Equity Shares of the Company through the Buy-Back.

2.2 After considering several factors and benefits to the shareholders holding Equity Shares of the Company, the Board decided to recommend Buy-Back at a price of Rs. 195/- (Rupees One Hundred Ninety-five Only) per Equity Share for an aggregate consideration of Rs. 7,02,00,000/- (Rupees Seven Crore Two Lakh only). Buy-Back is being undertaken, inter-alia, for the following reasons:

- The Buy-Back will help the Company to return surplus cash to its shareholders holding Equity Shares broadly in proportion to their shareholding, thereby, enhancing the overall return to shareholders;
- The Buy-Back, which is being implemented through the tender offer process as prescribed under the SEBI Buy-Back Regulations, would involve allocation of number of shares as per their entitlement or 15% of the number of shares to be bought back whichever is higher, reserved for the small shareholders. The Company believes that this reservation for small shareholders would benefit a large number of public shareholders, who would get classified as "Small Shareholder" as per Regulation 2(i)(n) of the SEBI Buy-Back Regulations;
- The Buy-Back may help in improving return on equity, by reduction in the equity base, thereby leading to long term increase in shareholders' value;
- The Buy-Back gives an option to the Shareholders holding Equity Shares of the Company, who may choose to participate and get cash in lieu of Equity Shares to be accepted under the Buy-Back offer or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post the Buy-Back offer, without additional investment.

3. MAXIMUM AMOUNT REQUIRED UNDER THE BUY-BACK AND ITS PERCENTAGE OF THE TOTAL PAID-UP CAPITAL AND FREE RESERVES

3.1 The maximum amount required for Buy-Back will not exceed Rs. 7,02,00,000/- (Rupees Seven Crore Two Lakh only) excluding Transaction Costs, being 22.45% of fully paid-up equity share capital and free reserves respectively, which is not exceeding 25% of the aggregate of the fully paid-up equity share capital and free reserves of the Company as per the last audited financial statements of the Company as on March 31, 2024

3.2 The funds for the implementation of the proposed Buy-Back will be sourced out of the free reserves of the Company (including securities premium account) or such other source as may be permitted by the SEBI Buy-Back Regulations or the Companies Act. The funds used will not exceed 25% of the paid-up equity capital and free reserves of the Company as on March 31, 2024. The funds borrowed, if any, from Banks and Financial Institutions will not be used for the Buy-Back.

3.3 The Company shall transfer from its free reserves a sum equal to the nominal value of the Equity Shares so bought back through the Buy-Back to the Capital Redemption Reserve Account and details of such transfer shall be disclosed in its subsequent audited financial statement.

4. MAXIMUM PRICE AT WHICH THE EQUITY SHARES ARE PROPOSED TO BE BOUGHT BACK AND THE BASIS OF ARRIVING AT THE PRICE OF THE BUY-BACK

4.1 The Equity Shares of the Company are proposed to be bought back at a price of Rs. 195/- (Rupees One hundred Ninety-five Only) per Equity Share ("Buy-Back Offer Price"). The Buy-Back Offer Price has been arrived at after considering various factors including, but not limited to the trends in the volume weighted average prices of the Equity Shares on the BSE Limited ("BSE") where the Equity Shares are traded, the net worth of the Company, price earnings ratio, impact on other financial parameters and the possible impact of Buy-Back on the earnings per Equity Share.

4.2 The Premium of 24.07% to the volume weighted average market price (i.e. Rs. 157.16/-) of the Equity Shares of the Company on BSE, during the 91 days (from May 02, 2024 to July 31, 2024, where the number of trading days in this period is 63 days) including the date of intimation to the BSE for the Board Meeting i.e. July 31, 2024 to consider the proposal of the Buyback. The Company confirms that as required under Section 68(2)(d) of the Companies Act, the ratio of the aggregate of secured and unsecured debts owed by the Company will be not more than twice the paid-up Equity capital and free reserves after the Buy-Back.

5. MAXIMUM NUMBER OF SECURITIES THAT THE COMPANY PROPOSES TO BUY-BACK

The Company proposes to Buy-Back up to 3,60,000 (Three Lakh Sixty thousand only) fully paid-up Equity Shares of face value of Rs. 10/- (Rupees Ten only) each, representing 9.09% of the number of equity shares in the total paid-up Equity share capital of the Company. The Buy-Back is proposed to be completed within 12 (twelve) months of the date of special resolution approving the proposed Buy-Back.

6. SCHEDULE OF ACTIVITIES FOR THE BUYBACK

S. No.	Activity	Day and Date of Event
1.	Date of Board meeting approving the proposal for the Buyback	Tuesday, August 06, 2024
2.	Date of special resolution by the Equity Shareholders of the Company through extraordinary general meeting, approving the Buy-back	Wednesday, September 04, 2024
3.	Date of Public Announcement	Thursday, September 05, 2024
4.	Date of publication of the Public Announcement for the Buyback in newspapers	Friday, September 06, 2024
5.	Record Date for determining the Buyback Entitlement and the names of Eligible Shareholders	Saturday, September 07, 2024
6.	Date of opening of the Buyback Offer	Thursday, September 12, 2024
7.	Date of closing of the Buyback Offer	Thursday, September 19, 2024
8.	Last date of receipt of completed Tender Form and other specified documents including physical certificates (if and as applicable) by the Registrar to the Buyback	Thursday, September 19, 2024
9.	Last date of verification of Tender Forms by the Registrar	Thursday, September 26, 2024
10.	Last date of intimation to BSE regarding acceptance or non-acceptance of tendered Equity Shares	Thursday, September 26, 2024
11.	Last date of settlement of bids by the Clearing Corporation on BSE	Thursday, September 26, 2024
12.	Last date of dispatch of share certificate(s) by the Registrar to the Buyback / payment to Eligible Shareholders/ return of unaccepted shares to Eligible Shareholders by BSE/Seller Broker.	Thursday, September 26, 2024
13.	Last date of extinguishment of Equity Shares bought back	Monday, October 07, 2024

Note: In case the last date is mentioned for certain activities, such activities may be completed on or before such last date.

7. METHOD TO BE ADOPTED FOR THE BUY-BACK

The method to be adopted for the purpose of Buy-Back shall be on proportionate basis from the Eligible Shareholders as of the Record Date, through "Tender Offer" route, as prescribed under the Buy-Back Regulations, to the extent permissible, and the "Mechanism for acquisition of shares through Stock Exchanges" as prescribed under SEBI Circulars. The Buy-Back will be implemented in accordance to the act read with the rules framed thereunder, the Buy-Back Regulations and on such terms and conditions as may be deemed fit by the company.

8. DETAILS OF PROMOTERS SHAREHOLDING AND OTHER DETAILS

8.1 The aggregate shareholding in our Company of the promoters and Promoter Group, as on the date of the notice of the EGM, August 06, 2024 is as follows:

S. No.	Name of Shareholder	No. of Equity Shares held	Percentage of issued Equity Share Capital
Promoter			
1.	Dinesh Apparao Bilgi	861671	21.77
2.	Neel Dinesh Bilgi	253550	6.40
3.	Chirag Dineshbhai Bilgi	256500	6.48
4.	Pragnesh Kantilal Shah	31100	0.79
5.	Laxman Chetandas Tilani	78500	1.98
Promoter Group			
6.	Bhavnaven Dineshbhai Bilgi	280020	7.07
7.	Aashna Dinesh Bilgi	190000	4.80
8.	Dinesh Apparao Bilgi HUF	182200	4.60
9.	Manoj Uttam Shah	130900	3.31
10.	Kala Manoj Shah	119300	3.01
11.	Harkhchand Ravji Shah	100500	2.54
12.	Premal Vasant Shah	83700	2.11
13.	Hiren Vasant Shah	78800	1.99
14.	Meeta Laxman Tilani	64600	1.63
15.	Sushila Harakhchand Shah	35600	0.90
16.	Jayesh Laxman Tilani	35000	0.88
17.	Akansha Laxman Tilani	7500	0.19
18.	Chirag Dinesh Bilgi HUF	1300	0.03
19.	Neel Dinesh Bilgi HUF	1300	0.03
20.	Nirmala Lalchand Tilani	10	0.00
Total		27,92,051	70.53

The Promoter and Promoters group shall have same meaning as defined in the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011.

8.1.1 Shareholding of Directors and Key Managerial Personnel of the Company as on the date of the notice of the EGM i.e., August 06, 2024 is as follows:

DIN/PAN	Name	Designation	No. of Equity Shares	% of Shareholding
00287931	Mr. Balkrishna Ishwarlal Makwana	Independent Director	10	Negligible
AHIPD5118P	Ms. Kairavi Neel Bilgi	Company Secretary & Compliance Officer	100	Negligible
Total			110	Negligible

No Equity Shares or other specified securities in the Company were either purchased or sold (either through the stock exchanges or off market transactions) by any of the (i) promoters; (ii) members of the promoter group from a period of six months preceding the date of the board meeting at which the buy back was approved till the Notice of the EGM i.e. August 06, 2024.

8.2 Intention of the Promoters and Persons in Control of the Company to tender equity shares in the Buy-Back:

Members of the promoter and promoter group of the Company intend to participate in the proposed Buy-Back as below:

S. No.	Name of Shareholder	No. of Equity Shares held	Percentage of issued Equity Share Capital
Promoter			
1.	Dinesh Apparao Bilgi	861671	21.77
2.	Neel Dinesh Bilgi	253550	6.40
3.	Chirag Dineshbhai Bilgi	256500	6.48
4.	Pragnesh Kantilal Shah	31100	0.79
5.	Laxman Chetandas Tilani	78500	1.98
Promoter Group			
6.	Bhavnaven Dineshbhai Bilgi	280020	7.07
7.	Aashna Dinesh Bilgi	190000	4.80
8.	Dinesh Apparao Bilgi HUF	182200	4.60
9.	Manoj Uttam Shah	130900	3.31
10.	Kala Manoj Shah	119300	3.01
11.	Harkhchand Ravji Shah	100500	2.54
12.	Premal Vasant Shah	83700	2.11
13.	Hiren Vasant Shah	78800	1.99
14.	Meeta Laxman Tilani	64600	1.63
15.	Sushila Harakhchand Shah	35600	0.90
16.	Jayesh Laxman Tilani	35000	0.88
17.	Akansha Laxman Tilani	7500	0.19
18.	Chirag Dinesh Bilgi HUF	1300	0.03
19.	Neel Dinesh Bilgi HUF	1300	0.03
20.	Nirmala Lalchand Tilani	10	0.00
Total		27,92,051	70.53

As per the Data available on the Website of BSE Limited, the date, price and other details of the Equity Shares held by the Promoters and Promoters group who are intending to tender their shares are as follows:

S. No.	Date of Acquisition	No. of Equity Shares	Face Value (in Rs.)	Cost of Acquisition per Share (in Rs.)*	Transaction Value (In Rs.)	Nature of Transaction
Dinesh Apparao Bilgi						
1	01/04/2014	679710	10	N.A.#	N.A.#	Opening Balance**
2	23/06/2014	103100	10	N.A.#	N.A.#	Inter-se Transfer
3	15/09/2016	(172750)	10	N.A.#	N.A.#	Off-Market (Disposal)
4	09/03/2018	(102000)	10	-	-	Off-Market Gift (Disposal)
5	02/12/2021	11892	10	95.55	1136281.00	Market Purchase
6	14/12/2022	188000	10	122.00	22936000.00	Market Purchase
7	05/06/2023	126393	10	122.00	15419946.00	Market Purchase
8	14/06/2023	27326	10	122.00	3333772.00	Market Purchase
Total		861671	-	-	-	-
Bhavnaven Dineshbhai Bilgi						
1	01/04/2014	178020	10	N.A.#	N.A.#	Opening Balance**
2	09/03/2018	102000	10	-	-	Off Market Gift
Total		280020	-	-	-	-
Chirag Dineshbhai Bilgi						
1	01/04/2014	166650	10	N.A.#	N.A.#	Opening Balance**
2	15/09/2016	86150	10	10.00	-	Off Market
3	30/03/2019	2950	10	65.97	194600.00	Off Market
4	05/03/2020	750	10	53.33	40000.00	Off Market
Total		256500	-	-	-	-
Neel Dinesh Bilgi						
1	01/04/2014	166200	10	N.A.#	N.A.#	Opening Balance**
2	15/09/2016	86600	10	10.00	-	Off Market
3	05/03/2020	750	10	53.33	40000.00	Off Market
Total		253550	-	-	-	-
Aashana Dinesh Bilgi						
1	01/04/2014	190000	10	N.A.#	N.A.#	Opening Balance**
Total		190000	-	-	-	-
Dinesh Apparao Bilgi (HUF)						
1	01/04/2014	182200	10	N.A.#	N.A.#	Opening Balance**
Total		182200	-	-	-	-
Manoj Uttam Shah						
1	01/04/2014	52500	10	N.A.#	N.A.#	Opening Balance**
2	21/03/2015	44500	10	10.00	445000	Inter-se Transfer
3	31/12/2015	33900	10	N.A.#	N.A.#	Inter se transfer
Total		130900	-	-	-	-

S. No.	Date of Acquisition	No. of Equity Shares	Face Value (in Rs.)	Cost of Acquisition per Share (in Rs.)*	Transaction Value (In Rs.)	Nature of Transaction
Kala Manoj Shah						
1	01/04/2014	89400	10	N.A.#	N.A.#	Opening Balance**
2	30/12/2015	29900	10	N.A.#	N.A.#	Inter-se Transfer
3	Total	119300	-	-	-	-
Harkhchand Ravji Shah						
1	01/04/2014	100500	10	N.A.#	N.A.#	Opening Balance**
Total		100500	-	-	-	-
Premal Vasant Shah						
1	01/04/2014	37500	10	N.A.#	N.A.#	Opening Balance**
2	31/01/2018	46200	10	89.00		

(... Continued from previous page)

11. REPORT BY THE COMPANY'S STATUTORY AUDITOR

The text of the Report dated August 06, 2024 received from M/s. Sweta Patel & Associates, Chartered Accountants, (FRN: 139165W) the Statutory Auditors of the Company, addressed to the Board of Directors of the Company is reproduced below:

QUOTE

To
The Board of Directors
AREX INDUSTRIES LIMITED
612, G.I.D.C. Estate, Chhatral, Taluka - Kalol
Dist. - Gandhinagar Gandhinagar - 382 729
Dear Sirs,

Sub: Independent Auditor's Report in respect of proposed buy back of equity shares by AREX INDUSTRIES LIMITED ("the Company") in terms clause (xi) of Schedule I to the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 (as amended) (the "Buy-back Regulations")

- This Report is issued in accordance with the terms of our engagement letter dated 6th August 2024.
- The Board of Directors of the Company has approved a proposal for the buy-back of Equity Shares by the Company at its meeting held on 6th August 2024, in pursuance of the provisions of Sections 68, 69 and 70 of the Companies Act, 2013 (the Act) and the Buy-back Regulations.
- We have been requested by the Management of the Company to provide a report on the accompanying "Computation of amount of permissible capital payment towards buyback of equity shares of AREX INDUSTRIES LIMITED in compliance with Section 68(2)(c) of the Act and provisions under the Buy-back Regulations, based on annual audited standalone financial statements as on 31st March, 2024." (hereinafter referred to as the "Statement"). This Statement has been prepared by the Management, which we have initialled for the purpose of identification.

Management Responsibility

- The preparation of the Statement in compliance with Section 68(2)(c) of the Act, Regulation 4(i) of the Buy-back Regulations and the proviso to Regulation 5(i)(b) of the Buy-back Regulations and compliance with the Buy-back Regulations, is the responsibility of the Management of the Company, including the computation of the amount of the permissible capital payment (including premium), and the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

In the absence of any definition of or guideline for "Insolvent" in the Buy-back Regulations, the Company has considered a situation for not being able to continue as a going concern (as mentioned in Standard on Auditing 570 (Revised) issued by Institute of Chartered Accountants of India) for a period of 1 year from 6th August 2024 as "Insolvent".

Auditor's Responsibility

- Pursuant to the requirements of the Buy-back Regulations, it is our responsibility to provide reasonable assurance whether:
 - We have inquired into the state of affairs of the Company in relation to the Annual audited financial statements of the company for the period ended 31st March, 2024;
 - The amount of permissible capital payment for the proposed buy-back of equity shares as stated in Annexure A, has been properly determined considering the Annual audited financial statements as at 31st March, 2024, in accordance with the provisions of Section 68(2) of the Act and Regulations 4 and 5 of the Buy-back Regulations; and
 - The Board of Directors of the Company, at its meeting held on 6th August, 2024, have formed the opinion as specified in Clause (x) of Schedule I to the Buy-back Regulations, on reasonable grounds that the Company having regard to its state of affairs will not be rendered insolvent within one year from the date of the board meeting held to consider the proposal of Buy-back of Equity Shares.
- The annual standalone financial statements referred to in paragraph 5 above, have been audited by us. We conducted the audit of the annual standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audit was not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.
- We conducted our examination of the Statement in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes (Revised 2016), issued by the Institute of Chartered Accountants of India (the "Guidance Note") and Standards on Auditing specified under Section 143(10) of the Act, in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
- We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements. Further our examination did not extend to any other parts and aspects of a legal or proprietary nature in the aforesaid buy-back.

Opinion

Based on inquiries conducted and our examination as above, we report that:

- We have inquired into the state of affairs of the Company in relation to its Annual audited financial statements for the financial period ended on 31st March 2024.
- The amount of permissible capital payment towards the proposed buy-back of Equity Shares as computed in the Statement attached herewith as Annexure A, in our view has been properly determined in accordance with section 68(2) of the Act and Regulations 4 and 5 of the Buy-back Regulations.
- The amount of share capital and its free reserves (including securities premium) have been extracted from the audited Annual financial statements of the Company as on March 31, 2024; and
- The Board of Directors of the Company, at its meeting held on 6th August 2024, have formed its opinion as specified in Clause (x) of Schedule I to the Buy-back Regulations, on reasonable grounds that the Company, having regard to its state of affairs, will not be rendered insolvent within one year from the date of the Board Meeting (i.e., 6th August 2024)

Restriction of use

Our work was performed solely to assist you in meeting your responsibilities in relation to compliance with the provision of section 68 and other applicable provisions of the act read with rule 17 (Share Capital & Debenture Rules 2014) as amended and the SEBI buyback regulation pursuant to the process buyback of equity shares. Our obligations in respect of this report are entirely separate and our responsibilities and liabilities in no way change by any other role we may have as auditor of the company or otherwise. Nothing in this report nor anything said or done in the course of or in connection with the services that are the subject of this report will extend any duty of care we may have in our capacity as the statutory auditor of the company.

This report has been issued at the request of the Company solely - (i) for use of the Company in connection with the proposed buy-back of Equity Shares of the Company in pursuance to the provisions of Section 68 and other applicable provisions of the Act and the Buy-back Regulations, (ii) to enable the Board of Directors of the Company to include it in the Public Announcement, Letter of Offer and other documents pertaining to buyback to be sent to the Shareholders of the Company or filed with (a) the Registrar of Companies, Securities and Exchange Board of India, Stock Exchange, public shareholders and any other regulatory authority as per applicable laws and (b) the Central Depository Services (India) Limited, National Securities Depository Limited and (iii) for providing to the manager, and should not be used by any other person and may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

We are also not responsible for changes, events and circumstances occurring after the date of this report which may require an updation of this report

For, SWETA PATEL & ASSOCIATES
CHARTERED ACCOUNTANTS,
(Firm Registration No. - 139165W)
Sd/-
Sweta H. Patel
Partner
Membership No. 154493
UDIN: 24154493BKATUK6466

Annexure A - Statement of Permissible Capital Payment (including premium) as at 31 March, 2024

Statement showing - Computation of amount of permissible capital payment towards buy-back of equity shares of Arex Industries Limited in compliance with Section 68 (2) (c) of the Act and provisions under the Buy-back Regulations, based on annual audited standalone financial statements as at 31st March 2024.

Sr. No.	Particulars	Standalone Amount
A	Paid up equity share capital and free reserves as on March 31, 2024, based on the Annual audited financial statements of the Company	
	Total paid-up Equity Share Capital	₹ 395.87
	Free Reserves*, comprising	
	- Securities Premium Account	-
	- General Reserve	-
	- Retained Earnings	₹ 2731.30
	Total Paid up Equity Share Capital and Free Reserves	₹ 3127.17
B	The amount of Maximum Permissible Capital Payment towards the Buyback being lower of,	
	The maximum permissible number of equity shares eligible for buyback in accordance with Section 68 (2) (c) of the Companies Act, 2013 (25% of total number of outstanding equity shares) (Nos.)	9.89
	The maximum permissible amount for buyback in accordance with Section 68 (2) (c) of the Companies Act, 2013 and regulations 4(i) of the Buyback Regulations (25% of the aggregate of total paid up capital and free reserves)#	₹ 781.79
	Amount approved by the Board of Directors at its meeting held on 6th August, 2024	₹ 702.00

Notes:

As per provisions of Section 68(2)(c) of the Companies Act, 2013, the maximum amount permissible for the buyback of equity shares of the Company is 25% or less of the aggregate of paid-up share capital and free reserves of the Company.

*As per Companies Act, 2013 Section 2(43) definition of "free reserves" means such reserves which, as per the latest audited balance sheet of a company, are available for distribution as dividend, provided that: i. any amount representing unrealized gains, notional gains, or revaluation of assets, whether shown as a reserve or otherwise, or; ii. any increase in carrying amount of an asset or liability recognized in equity, including surplus in profit and loss account on measurement of the assets or the liability at fair value, shall not be treated as free reserves.

Note: The amounts of paid up equity capital and free reserves as at March 31, 2024 have been extracted from the annual audited standalone financial statements of the Company as at March 31, 2024 which was approved by the Board of Directors at the Board Meeting held on May 23, 2024.

For & On Behalf of the Board of directors

Arex Industries Limited

Signature	Sd/-	Sd/-
Name	Mr. Dinesh Apparao Bilgi	Mr. Neel Dinesh Bilgi
Designation	Managing Director cum CFO	Managing Director
DIN	00096099	00096180

Date: 06/08/2024

Place: Chhatral

UNQUOTE

12 PRIOR APPROVAL FROM LENDERS

As on the date of the Board meeting, the Company has outstanding facilities with lenders. In accordance with Regulation 5(i) (c) and Schedule I clause (xii) of the Buyback Regulations, The Company confirms that there is no breach of any covenants of the loans taken from all the lenders including the consortium of lenders. And further covenants are not being breached as a result of this Buyback.

13 PROCESS AND METHODOLOGY TO BE ADOPTED FOR BUY-BACK PROCESS

- The Buy-Back is open to all eligible shareholders, i.e., the shareholders who on the Record Date are holding Equity Shares either in physical form ("Physical Shares") and the beneficial owners who on the Record Date are holding Equity Shares in the dematerialized form ("Demat Shares") (Such shareholders are referred as the "Eligible Shareholders").
- The Buy-Back will be implemented using the "Mechanism for acquisition of shares through Stock Exchange" issued by SEBI vide circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and circular no. CFD/DCR/CIR/P/2016/131 dated December 9, 2016, and SEBI Circular CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021, and in accordance with the procedure prescribed in the Companies Act and the SEBI Buy-Back Regulations, and as may be determined by the Board of Directors, or the Executive Committee (a committee authorised by the Board to exercise its powers in relation to the Buyback, the "Buyback Committee"), on such terms and conditions as may be permitted by law from time to time.
- For implementation of the Buy-Back, the Company has appointed NNM Securities Private Limited as the registered broker to the Company (the "Company's Broker") through whom the purchases and settlements on account of the Buy-Back would be made by the Company. The contact details of the Company's Broker are as follows:

NNM Securities Private Limited
SEBI Registration No.: INZ000234235
CIN: U67120MH1997PTC111496
Address: B-6/7, 2nd Floor, Shri Siddhi Vinayak Plaza, Off. Link road, Opp. Citi Mall, Andheri (West) Mumbai-400053
Tel. No.: 022-4079 0032,
Email: nikuji.a.mittal@gmail.com
Contact Person: Mr. Nikunj Anilkumar Mittal

- The Company shall request BSE to provide a separate window (the "Acquisition Window") to facilitate placing of sell orders by the Eligible Shareholders who wish to tender their Equity Shares in the Buy-Back. For the purpose of this Buy-Back, BSE would be the Designated Stock Exchange ("Designated Stock Exchange"). The details of the Acquisition Window will be as specified by BSE from time to time. In the event Stock Broker(s) of Eligible Shareholder is not registered with BSE, then the Eligible Shareholders can approach any BSE registered stock broker and can register themselves by using quick unique client code ("UCC") facility through the BSE registered stock broker (after submitting all details as may be required by such BSE registered stock broker in compliance with applicable law). In case the Eligible Shareholders are unable to register using UCC facility through any other BSE registered broker, Eligible Shareholders may approach Company's Broker i.e., NNM Securities Private Limited to place their bids.
- At the beginning of the tendering period, the order for buying Equity Shares will be placed by the Company through Company's Broker.
- During the tendering period, the order for selling the Equity Shares will be placed in the Acquisition Window by the Eligible Shareholders through their respective stock brokers ("Shareholder Broker") during normal trading hours of the secondary market. The Stock Broker can enter orders for Demat Shares as well as Physical Shares. In the tendering process, the Company's Broker may also process the orders received from the Eligible Shareholders.
- The reporting requirements for Non-Resident Shareholders under the Foreign Exchange Management Act, 1999, RBI and any other rules, regulations, guidelines, for remittance of funds, shall be made by the Eligible Shareholder and/or the Shareholder Broker through which the Eligible Shareholder places the bid.
- Modification/cancellation of orders and multiple bids from a single Eligible Shareholder will be allowed during the tendering period of the Buy-Back. Multiple bids made by a single Eligible Shareholder for selling Equity Shares shall be clubbed and considered as "one bid" for the purposes of acceptance.
- The cumulative quantity tendered shall be made available on the website of BSE (www.bseindia.com) throughout the trading session and will be updated at specific intervals during the tendering period.
- The Company will not accept Equity Shares tendered for the Buy-Back which under restraint order of the court for transfer/ sale and/or title in respect of which is otherwise under dispute or where loss of share certificates has been notified to the Company and the duplicate share certificates have not been issued either due to such request being under process as per the provisions of law or otherwise
- Any Equity Shares tendered after the Buy-Back Closing Date by an Eligible Shareholder shall not be accepted.
- All documents sent by the Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.
- In accordance with Regulation 24(v) of the Buy-Back Regulations, the Company shall not Buy-Back locked-in Equity Shares and non-transferable Equity Shares until the pendency of the lock-in or until such Equity Shares become transferable. The Company shall accept all the Equity Shares validly tendered in the Buy-Back by Eligible Shareholders, on the basis of their Buy-Back Entitlement as on the Record Date.

13.14 Procedure to be followed by Eligible Shareholders holding Demat Shares

- Eligible Shareholders holding Demat Shares who desire to tender their Demat Shares under the Buy-Back would have to do so through their respective Shareholder Broker by indicating to the concerned Shareholder Broker, the details of Equity Shares they intend to tender under the Buy-Back.
- The Shareholder Broker would be required to place an order/bid on behalf of the Eligible Shareholder who wish to tender Demat Shares in the Buy-Back using the Acquisition Window of the BSE.
- The lien shall be marked by the Shareholder Broker in the demat account of the Eligible Shareholder for the Equity Shares tendered in the Buy-Back. Details of such Equity Shares marked as lien in the demat account of the Eligible Shareholder shall be provided by the depositories to Clearing Corporations.
- In case, the Eligible Shareholder's demat account is held with one depository and clearing member pool and Clearing Corporation Account is held with other depository, shares shall be blocked in the Eligible Shareholder's demat account at source depository during the tendering period. Inter-Depository Tender Offer ("IDT") instructions shall be initiated by the Eligible Shareholders at source depository to Clearing Corporation / Clearing Member account at target depository. The source depository shall block the Eligible Shareholder's Equity Shares (i.e. transfers from free balance to blocked balance) and will send IDT message to target depository for confirming creation of lien. Details of Equity Shares blocked in the Eligible Shareholders demat account shall be provided by the target depository to the Clearing Corporation.
- For custodian participant orders for demat Equity Shares, early pay-in is mandatory prior to confirmation of order/bid by custodian participant. The custodian shall either confirm or reject the orders not later than the closing of trading hours on the last day of the tendering period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.
- Upon placing the bid, the Shareholder Broker shall provide a Transaction Registration Slip ("TRS") generated by the stock exchange bidding system to the Eligible Shareholder on whose behalf the order/bid has been placed. TRS will contain details of order submitted like Bid ID No., Application No., DP ID, Client ID, No. of Equity Shares tendered etc.
- It is clarified that, in case of Demat equity shares, submission of Tender Form and TRS is not mandatory. In case of non-receipt of the completed tender form and other documents, but receipt of Equity Shares in the accounts of the BSE Clearing and a valid bid in the exchange bidding system, the bid by such Equity Shareholder shall be deemed to have been accepted.

13.15 Procedure to be followed by the shareholders holding Physical Shares

- In accordance to SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020. Shareholders holding securities in physical form are allowed to tender Equity Shares in the Buy-Back through tender offer route. However, such tendering shall be as per the provisions of the Buy-Back Regulations.
- Eligible Shareholders who are holding physical Equity Shares and intend to participate in the Buy-Back will be required to approach their respective Shareholder Broker along with the complete set of documents for verification procedures to be carried out before placement of the bid. Such documents will include the (i) the Tender Form duly signed by all Eligible Shareholders (in case shares are in joint names, in the same order in which they hold the shares), (ii) original share certificate(s), (iii) valid share transfer form(s)/Form SH-4 duly filled and signed by the transferors (i.e. by all registered Shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Company, (iv) self-attested copy of PAN Card(s) of all Eligible Shareholders, (v) any other relevant documents such as power of attorney, corporate authorization (including board resolution/specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder is deceased, etc., as applicable. In addition, if the address of the Eligible Shareholder has undergone a change from the address registered in the register of members of the Company, the Eligible Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar card, voter identity card or passport.
- Based on these documents, the concerned Shareholder Broker shall place an order/ bid on behalf of the Eligible Shareholders holding Equity Shares in physical form who wish to tender Equity Shares in the Buy-Back, using the acquisition window of BSE. Upon placing the bid, the Shareholder Broker shall provide a TRS generated by the exchange bidding system to the Eligible Shareholder. TRS will contain the details of order submitted like folio no., certificate no., distinctive no., No. of equity shares tendered etc.
- Any Shareholder Broker/Eligible Shareholder who places a bid for physical Equity Shares, is required to deliver the original share certificate(s) & documents (as mentioned above) along with TRS generated by exchange bidding system upon placing of bid, either by registered post, speed post or courier or hand delivery to the Registrar to the Buy-Back i.e. Link Intime India Private Limited (at the address mentioned at paragraph 14 below) not later than the offer closing date i.e. September 19, 2024 by 05:00 p.m. The envelope should be super scribed as "Arex Industries Limited Buy-Back 2024". One copy of the TRS will be retained by Registrar to the Buy-Back and it will provide acknowledgement of the same to the Shareholder Broker.
- The Eligible Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents are submitted. Acceptance of the physical Equity Shares for Buy-Back by the Company shall be subject to verification as per the SEBI Buy-Back Regulations and any further directions issued in this regard. The Registrar to the Buy-Back will verify such bids based on the documents submitted on a daily basis and till such verification, BSE shall display such bids as 'unconfirmed physical bids'. Once Registrar to the Buy-Back confirms the bids, they will be treated as 'confirmed bids'
- In case any Eligible Shareholder has submitted Equity Shares in physical form for Dematerialization, such Eligible Shareholders should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in the Buy-Back before the closure of the tendering period of the Buy-Back.
- An unregistered shareholder holding physical shares may also tender Equity Shares for Buy-Back by submitting the duly executed transfer deed for transfer of shares, purchased prior to Record Date, in his name, along with the offer form, copy of his PAN card and of the person from whom he has purchased shares and other relevant documents as required for transfer, if any.

13.16 Method of Settlement

Upon finalization of the basis of acceptance as per SEBI Buy-Back Regulations:

- The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.
- The Company will pay the consideration to the Company's Broker who will transfer the funds pertaining to the Buy-Back to the Clearing Corporation's bank account as per the prescribed schedule.
- The Demat Shares bought back would be transferred directly to the Demat account of the Company opened for the Buy-Back (the "Company Demat Account") provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Company Demat Account on receipt of the Equity Shares from the clearing and settlement mechanism of BSE.

- The Eligible Shareholders of the Demat Shares will have to ensure that they keep the depository participant ("DP") account active and unblocked to receive credit in case of return of Demat Shares, due to rejection or due to non-acceptance in the Buy-Back.
- Excess Demat Shares or unaccepted Demat Shares, if any, tendered by the Eligible Shareholder would be returned to them by the Clearing Corporation. Any excess Physical Shares pursuant to proportionate acceptance/rejection will be returned back to the concerned Eligible Shareholders directly by the Registrar to the Buy-Back. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Physical Shares, in case the Physical Shares accepted by the Company are less than the Physical Shares tendered in the Buy-Back.
- In the case of inter-depository, BSE Clearing will cancel the excess or unaccepted shares in target depository. The source depository will not be able to release the lien without a release of IDT message from target depository. Further, release of IDT message shall be sent by target depository either based on cancellation request received from BSE Clearing or automatically generated after matching with bid accepted detail as received from the Company or the Registrar to the Buy-Back. Post receiving the IDT message from target depository, source depository will cancel/ release excess or unaccepted block shares in the Demat account of the Eligible Shareholder. Post completion of tendering period and receiving the requisite details viz., Demat account details and accepted bid quantity, source depository shall debit the securities as per the communication/ message received from target depository to the extent of accepted bid shares from Eligible Shareholders Demat account and credit it to BSE Clearing settlement account in target depository on settlement date.
- The settlements of fund obligation for Demat and Physical Shares shall be affected as per the SEBI circulars and as prescribed by BSE and Clearing Corporation from time to time. For Demat Shares accepted under the Buy-Back, such beneficial owners will receive funds payout in their bank account as provided by the depository system directly to the Clearing Corporation and in case of Physical Shares, the Clearing Corporation will release the funds to the Shareholder Broker(s) as per secondary market payout mechanism. If such shareholder's bank account details are not available or if the funds transfer instruction is rejected by the Reserve Bank of India ("RBI")/ bank(s), due to any reasons, then the amount payable to the concerned shareholders will be transferred to the Shareholder Broker for onward transfer to such shareholders.
- In case of certain shareholders viz., NRIs, non-residents etc. (where there are specific regulatory requirements pertaining to funds payout including those prescribed by the RBI) who do not opt to settle through custodians, the funds payout would be given to their respective Shareholder Broker's settlement accounts for releasing the same to such shareholder's account. For this purpose, the client type details would be collected from the Registrar to the Buy-Back.
- The Shareholder Broker would issue contract note to the Eligible Shareholders tendering Equity Shares in the Buy-Back and pay the consideration for the Equity Shares accepted under the Buy-Back and will unlock the excess unaccepted Equity Shares. The Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buy-Back.
- Eligible Shareholders who intend to participate in the Buy-Back should consult their respective Shareholder Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Shareholder Broker upon the selling shareholders for tendering Equity Shares in the Buy-Back (secondary market transaction). The Buy-Back consideration received by the Eligible Shareholders in respect of accepted Equity Shares could be net of such costs, applicable taxes, charges and expenses (including brokerage) etc., and the Manager to the Buy-Back and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling shareholders.
- The Equity Shares bought will be extinguished in the manner and following the procedure prescribed in the SEBI Buy-Back Regulations.

14. RECORD DATE AND SHAREHOLDER ENTITLEMENT

- As required under the SEBI Buy-Back Regulations, the Company has fixed September 07, 2024 as the Record Date for the purpose of determining the entitlement and the names of the Eligible Shareholders.
- The Equity Shares to be bought back, as part of the Buy-Back is divided in to two categories:
 - reserved category for Small Shareholders (defined under Regulation 2(i)(n) of the SEBI Buy-Back Regulations as a shareholder, who holds shares or other specified securities whose market value, on the basis of closing price on the recognized stock exchange in which the highest trading volume, as on record date, is not more than Rs. 2,00,000 (Rupees Two Lakhs only); and
 - the general category for all other shareholders.
- In accordance with Regulation 6 of the Buy-Back Regulations, the reserved category for Small Shareholders shall be 15% of the number of Equity Shares which the Company proposes to Buy-Back, or number of Equity Shares entitled as per shareholding of Small Shareholders, as on record date, whichever is higher.
- Based on the shareholding as on the Record Date, the Company will determine the entitlement of each shareholder to tender their Equity Shares in the Buy-Back. This entitlement for each shareholder will be calculated based on the number of Equity Shares held by the respective shareholder as on the Record Date and the ratio of Buy-Back applicable in the category to which such shareholder belongs.
- In order to ensure that the same Eligible Shareholder with multiple Demat accounts/folios do not receive a higher entitlement under the Small Shareholder category, the Equity Shares held by such Eligible Shareholder with a common PAN shall be clubbed together for determining the category (Small Shareholder or General Category) and the Buy-Back Entitlement. In case of joint shareholding, the Equity Shares held in cases where the sequence of the PANs of the joint shareholders is identical shall be clubbed together. In case of Eligible Shareholders holding physical shares, where the sequence of PANs is identical and where the PANs of all joint shareholders are not available, the Registrar to the Buy-Back will check the sequence of the names of the joint holders and club together the Equity Shares held in such cases where the sequence of the PANs and name of joint shareholders are identical. The shareholding of institutional investors like mutual funds, insurance companies, foreign institutional investors/foreign portfolio investors etc. with common PANs are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these equity shares are held for different schemes/sub-accounts and have a different Demat account nomenclature based on information prepared by the Registrar to the Buy-Back as per the shareholder records received from the Depositories. Further, the Equity Shares held under the category of "clearing members" or "corporate body margin account" or "corporate body" as per the beneficial position data as on Record Date with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are assumed to be held on behalf of clients.
- The Eligible Shareholders participation in the Buy-Back will be voluntary. The Eligible Shareholders can choose to participate, in full or in part, and get cash in lieu of equity shares to be accepted under the Buy-Back or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post Buy-Back, without additional investment. The Eligible Shareholders also have the option of tendering additional Equity Shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other shareholders, if any.
- The maximum tender under the Buy-Back by any shareholder cannot exceed the number of equity shares held by the shareholders as on the Record Date. In case, the eligible shareholders holds equity shares through multiple Demat accounts, the tender through a Demat account cannot exceed the number of equity shares held in that Demat account.
- The Equity Shares tendered as per the entitlement by Eligible Shareholders as well as additional Equity Shares tendered, if any, will be accepted as per the procedure laid down in SEBI Buy-Back Regulations.
- Participation in the Buy-Back by the shareholders may trigger capital gains taxation in India and their country of residence. The Buy-Back transaction would also be subject to securities transaction tax in India. The shareholders are advised to consult their own legal, financial and tax advisors prior to participating in the Buy-Back.
- Detailed instructions for participation in the Buy-Back (tendering of Equity Shares in the Buy-Back) as well as the relevant time table will be included in the Letter of Offer which will be sent in due course to the Eligible shareholders as on the Record Date. The dispatch of the letter of offer shall be through electronic mode in accordance with the provisions of the Companies Act within two (2) working days from the Record date. If the Company receives a request from any Eligible Shareholder to receive a copy of the letter of offer in physical form, the same shall be provided.

15. COMPANY SECRETARY & COMPLIANCE OFFICER

Kairavi Neel Bilgi
Company Secretary & Compliance Officer
612, GIDC, Industrial Estate, Chhatral Tal. Kalol, Gandhinagar, Gujarat, - 382729 India
Phone: 2764 233437
Email: mail@arex.in
Website: www.arex.in

Investors may contact the Company Secretary for any clarification or to address their grievances, if any, during office hours i.e. 10:30 a.m. to 5:00 p.m. on any day, except Sunday and public holidays.

16. INVESTOR SERVICE CENTRE / REGISTRAR TO THE BUY-BACK

In case of any query, the shareholders may contact the Registrar to the Buy-Back on any day, except Saturday, Sunday and public holidays between 10:30 a.m. and 5:00 p.m. at the following address:

LINK Intime Link Intime India Private Limited
CIN: U67190MH1999PTC118368
SEBI Reg. No.: INR000004058
Address: C 101, 1st Floor, 247 Park, L B S Marg, Vikhroli West, Mumbai - 400 083, Maharashtra, India
Tel. No.: +91 8108114949; Fax: 22 4918 6060
Email: arex.buyback2024@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Mr. Shanti Gopalkrishnan

17. MANAGER TO THE BUY-BACK

INTERACTIVE FINANCIAL SERVICES LIMITED
CIN: L65910GJ1994PLC023393
SEBI Registration No. INM000012856
Address: Office No. 508, Fifth Floor, Priviera, Nehru Nagar, Ahmedabad - 380 015, Gujarat, India
Tel. No.: 079 49088019/+91 9898055647
E-mail: mbd@ifinservices.in;
Website: www.ifinservices.in
Contact Person: Mr. Pradip Sandhir

DIRECTORS RESPONSIBILITY

As per Regulation 24(i)(a) of the SEBI Buy-Back Regulations, the Board of Directors accepts responsibility for the information contained in this Public Announcement and for the information contained in all other advertisements, circulars, brochures, publicity materials etc. which may be issued in relation to the Buy-Back and confirms that the information in such documents contain and will contain true, factual and material information and does not and will not contain any misleading information.

This Public Announcement is issued under the authority of the Board in terms of Resolution passed by the Board on September 04, 2024.

For and on behalf of the Board of Directors of Arex Industries Limited

Sd/-	Sd/-	Sd/-
Dinesh Apparao Bilgi	Neel Dinesh Bilgi	Mrs. Kairavi Neel Bilgi
(Managing Director)	(Managing Director)	(Company Secretary & Compliance Officer)
DIN: 00096099	DIN: 00096180	

Date: September 05, 2024

Place: Chhatral

AREX INDUSTRIES LIMITED

Corporate Identification Number: L99996J1989PLC012213
 Regd. Off.: 612, GIDD Industrial Estate, Chhatral Tal. Kalol, Gandhinagar, Gujarat, India, 382729
 Tel. No.: 02764-233437 | E-mail: mail@arex.in | Website: www.arex.in
 Company Secretary and Compliance Officer: Kairavi Bilgi

PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF EQUITY SHAREHOLDERS / BENEFICIAL OWNERS OF EQUITY SHARES OF AREX INDUSTRIES LIMITED FOR THE BUY-BACK OF EQUITY SHARES THROUGH THE TENDER OFFER PROCESS IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (BUY-BACK OF SECURITIES) REGULATIONS, 2018, AS AMENDED ("BUY-BACK REGULATIONS")

This Public Announcement ("Public Announcement" or "PA") is being made in relation to the Buy-Back of Equity Shares of Arex Industries Limited through the tender offer process, pursuant to Regulation 7 (i) and other applicable provisions of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, for the time being in force including any statutory modifications and amendments from time to time ("SEBI Buy-Back Regulations") and contains the disclosures as specified in Schedule II read with Schedule I of the SEBI Buy-Back Regulations.

OFFER FOR BUY-BACK OF UP TO 3,60,000 (THREE LAKH SIXTY THOUSAND ONLY) FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH (RUPEES TEN ONLY) ON A PROPORTIONATE BASIS THROUGH THE TENDER OFFER PROCESS USING STOCK EXCHANGE MECHANISM AT A PRICE OF RS. 195/- (RUPEES ONE HUNDRED NINETY-FIVE ONLY) PER FULLY PAID-UP EQUITY SHARE, FOR AN AGGREGATE MAXIMUM AMOUNT NOT EXCEEDING RS. 7,02,00,000/- (RUPEES SEVEN CRORE TWO LAKH ONLY) (THE "BUY-BACK") PAYABLE IN CASH EXCLUDING THE TRANSACTION COST.

Certain figures in this Public Announcement, including the financial information, have been subject to rounding off adjustments. All decimals have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

1. DETAILS OF THE BUY-BACK OFFER AND BUY-BACK PRICE

1.1 The Board of Directors of Arex Industries Limited (the "Company") (the "Board" or the "Board of Directors") at their meeting held on August 06, 2024 ("Board Meeting"), wherein the Board has, subject to the approval of the members of the Company by way of Special Resolution through EGM, and pursuant to the provisions of Articles of Association of the Company and Section 68, 69, 70 and all other applicable provisions, if any, of the Companies Act, 2013, the Companies (Share Capital and Debenture) Rules, 2014 to the extent applicable, (the "Share Capital Rules"), and in compliance with the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 ("SEBI Buy-Back Regulations"), including any statutory modifications or re-enactments thereof and subject to approval of SEBI, the BSE Limited ("BSE") where the equity shares of the Company are listed and such other approvals of statutory, regulatory or governmental authorities as may be required under applicable laws, passed a resolution and has approved the Buy-Back of fully paid-up Equity Shares up to 3,60,000 (Three Lakh Sixty thousand) Equity Shares from the equity shareholders/beneficial owners of Equity Shares as on record date i.e. September 07, 2024 (the "Record Date") (for further details in relation to the Record Date, refer to Paragraph 14 of this Public Announcement), on a proportionate basis, through the "Tender Offer" process by using Stock Exchange Mechanism, at a price of Rs. 195/- (Rupees One Hundred Ninety-five Only) ("Buy-Back Offer Price"), payable in cash, for an aggregate amount not exceeding Rs. 7,02,00,000/- (Rupees Seven Crore Two Lakh only) (the "Buy-Back Offer Size") (the process being referred hereinafter as the "Buy-Back") which is 9.09% of the total no. of shares in the paid-up equity share capital of the Company. The Buy-Back Offer Size and the Buy-Back Offer Price do not include taxes payable under Income-tax Act, 1961 and any expenses incurred or to be incurred for the Buy-Back viz., brokerage, costs, fees, turnover charges, taxes such as securities transaction tax and goods and services tax (if any), stamp duty, advisors fees, printing and dispatch expenses and other incidental and related expenses and charges ("Transaction Costs"). The Buy-Back shall be within 25% of the aggregate of paid-up capital and free reserves of the Company as per the audited financial statements of the Company for the financial year ending March 31, 2024. The Buy-Back Offer Size constitutes 22.45% of the aggregate of the Company's paid-up capital and free reserves as per the audited financial statement of the Company for the financial year ending March 31, 2024 which is within the prescribed limit of 25%.

1.2 The Buy-Back is more than 10% of the total paid-up equity share capital and free reserves of the Company, in terms of Section 68(2) (b) of the Act, the Board sought approval of the shareholders of the Company, by way of a special resolution, pursuant to the EGM dated September 04, 2024 (the "EGM"), the results of which were announced on September 04, 2024.

1.3 The Buy-Back shall be undertaken on a proportionate basis from the equity shareholders of the Company as on the Record Date ("Eligible Shareholders") through the tender offer process prescribed under Regulation 4 (iv) (a) of the SEBI Buy-Back Regulations. Additionally, the Buy-Back shall be, subject to applicable laws, implemented by tendering of Equity Shares by Eligible Shareholders and settlement of the same through the stock exchange mechanism as specified in the circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, circular no. CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and SEBI Circular CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021 and other applicable circular issued by the Securities and Exchange Board of India ("SEBI"). In this regard, the Company will request BSE to provide the acquisition window to facilitate tendering of Equity Shares under the Buy-back. Accordingly, Equity shares may be tendered through BSE. For the purpose of Buy-back, BSE Limited would be Designated Stock Exchange.

1.4 Participation in the Buy-back by Eligible Shareholders may trigger tax on distributed income to such shareholders (Buy-back Tax) in India and such tax is to be discharged by the Company as per the procedure laid down in the applicable provisions of the Income-tax Act, 1961 read with any applicable rules framed thereunder. Consequently, any income received by Eligible Shareholders pursuant to the Buy-back of shares is exempt and hence not includable in the total taxable income of such shareholders. The transaction of Buy-Back would also be chargeable to securities transaction tax in India. Participation in the Buy-Back by non-resident Eligible Shareholders may trigger capital gains tax in the hands of such shareholders in their country of residence. In due course, the Eligible Shareholders will receive a letter of offer, which will contain a more detailed note on taxation. However, in view of the particularized nature of tax consequences, the Eligible Shareholders are advised to consult their own legal, financial and tax advisors prior to participating in the Buy-Back.

1.5 The Company is in compliance with the Regulation 38 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and will comply with the said Regulation at all times during the Buyback Period. Pursuant to the proposed Buyback and depending on the response to the Buyback, the voting rights of the members of the Promoter and Person in Control in the Company may increase or decrease from their existing shareholding in the total equity capital and voting rights of the Company. The Company confirms that after the completion of the Buyback, if it resulting in fall in minimum public shareholding requirements as specified in Regulation 38 of the SEBI Listing Regulations, the Company shall increase its public shareholding as specified in Regulation 38 and shall ensure the compliance with the requirement of minimum public shareholding requirements of the Company.

1.6 The Buy-Back Offer Price has been arrived at after considering various factors including, but not limited accumulated free reserves as well as the cash liquidity reflected in audited financial statements of the Company for the financial year March 31, 2024, the subsequent business developments, the prevailing market price of the equity shares of the Company before the announcement of Board Meeting for consideration of Buy-Back, the net worth of the Company and the impact of the Buy-Back on the key financial ratios of the Company. However, the Board of Directors/ or the Buy-Back Committee is authorised to determine the specific price, the number of Equity Shares and other related particulars at which the Buy-Back will be made as per the Record Date to the eligible Members. The Buy-Back Offer Price represents a premium of 24.07% over the volume weighted Average market Price (i.e. Rs. 157.16) of the equity share of the Company on BSE Limited, during 91 days (from May 02, 2024 to July 31, 2024 where the number of trading days in this period is 63 days), including the date on which the Company intimated to the Stock Exchange (i.e. July 31, 2024) of the date of the meeting of the Board wherein proposal of the Buy-Back was considered.

1.7 A copy of this Public Announcement is available on the Company's website i.e., www.arex.in, and is expected to be made available on the website of SEBI i.e., www.sebi.gov.in and on the websites of Stock Exchanges, i.e., www.bseindia.com, website of Manager of the offer: www.finservices.in during the period of the Buy-Back.

2. NECESSITY FOR BUY-BACK

2.1 Share Buy-Back is the acquisition by a company of its own shares. The Board is of the view that the proposed Buy-Back will help the Company achieve the following objectives (a) Optimize returns to shareholders; (b) Enhance overall shareholders value and (c) Optimize the capital structure and enhance investors confidence. The above objectives will be achieved by returning part of surplus cash back to shareholders through the Buy-Back process. This may lead to reduction in outstanding Equity Shares, improvement in earnings per Equity Share and enhanced return on invested capital. The Buy-Back will not in any manner impair the ability of the Company to pursue growth opportunities or meet its cash requirements for business operations. The Board at its meeting held on August 06, 2024 considered the accumulated free reserves as well as the cash liquidity reflected in the last audited financial statements as on March 31, 2024 and considering these, the Board decided to allocate a sum of Rs. 7,02,00,000/- (Rupees Seven Crore Two Lakh only) excluding the Transaction Costs for distributing to the shareholders holding Equity Shares of the Company through the Buy-Back.

2.2 After considering several factors and benefits to the shareholders holding Equity Shares of the Company, the Board decided to recommend Buy-Back at a price of Rs. 195/- (Rupees One Hundred Ninety-five Only) per Equity Share for an aggregate consideration of Rs. 7,02,00,000/- (Rupees Seven Crore Two Lakh only). Buy-Back is being undertaken, inter-alia, for the following reasons:

- The Buy-Back will help the Company to return surplus cash to its shareholders holding Equity Shares broadly in proportion to their shareholding, thereby, enhancing the overall return to shareholders;
- The Buy-Back, which is being implemented through the tender offer route as prescribed under the SEBI Buy-Back Regulations, would involve allocation of number of shares as per their entitlement or 15% of the number of shares to be bought back whichever is higher, reserved for the small shareholders. The Company believes that this reservation for small shareholders would benefit a large number of public shareholders, who would get classified as "Small Shareholder" as per Regulation 2(i)(n) of the SEBI Buy-Back Regulations;
- The Buy-Back may help in improving return on equity, by reduction in the equity base, thereby leading to long term increase in shareholders' value;
- The Buy-Back gives an option to the Shareholders holding Equity Shares of the Company, who can choose to participate and get cash in lieu of Equity Shares to be accepted under the Buy-Back offer or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post the Buy-Back offer, without additional investment.

3. MAXIMUM AMOUNT REQUIRED UNDER THE BUY-BACK AND ITS PERCENTAGE OF THE TOTAL PAID-UP CAPITAL AND FREE RESERVES

3.1 The maximum amount required for Buy-Back will not exceed Rs. 7,02,00,000/- (Rupees Seven Crore two Lakh only) excluding Transaction Costs, being 22.45% of fully paid-up equity share capital and free reserves respectively, which is not exceeding 25% of the aggregate of the fully paid-up equity share capital and free reserves of the Company as per the last audited financial statements of the Company as on March 31, 2024

3.2 The funds for the implementation of the proposed Buy-Back will be sourced out of the free reserves of the Company (including securities premium account) or such other source as may be permitted by the SEBI Buy-Back Regulations or the Companies Act. The funds used will not exceed 25% of the paid-up equity capital and free reserves of the Company as on March 31, 2024. The funds borrowed, if any, from Banks and Financial Institutions will not be used for the Buy-Back.

3.3 The Company shall transfer from its free reserves a sum equal to the nominal value of the Equity Shares so bought back through the Buy-Back to the Capital Redemption Reserve Account and details of such transfer shall be disclosed in its subsequent audited financial statement.

4. MAXIMUM PRICE AT WHICH THE EQUITY SHARES ARE PROPOSED TO BE BOUGHT BACK AND THE BASIS OF ARRIVING AT THE PRICE OF THE BUY-BACK

4.1 The Equity Shares of the Company are proposed to be bought back at a price of Rs. 195/- (Rupees One hundred Ninety-five Only) per Equity Share ("Buy-Back Offer Price"). The Buy-Back Offer Price has been arrived at after considering various factors including, but not limited to the trends in the volume weighted average prices of the Equity Shares on the BSE Limited ("BSE") where the Equity Shares are traded, the net worth of the Company, price earnings ratio, impact on other financial parameters and the possible impact of Buy-Back on the earnings per Equity Share.

4.2 The Premium of 24.07% to the volume weighted average market price (i.e. Rs. 157.16/-) of the Equity Shares of the Company on BSE, during the 91 days (from May 02, 2024 to July 31, 2024, where the number of trading days in this period is 63 days) including the date of intimation to the BSE for the Board Meeting i.e. July 31, 2024 to consider the proposal of the Buyback. The Company confirms that as required under Section 68(2)(d) of the Companies Act, the ratio of the aggregate of secured and unsecured debts owed by the Company will be not more than twice the paid-up Equity capital and free reserves after the Buy-Back.

5. MAXIMUM NUMBER OF SECURITIES THAT THE COMPANY PROPOSES TO BUY-BACK

The Company proposes to Buy-Back up to 3,60,000 (Three Lakh Sixty thousand only) fully paid-up Equity Shares of face value of Rs. 10/- (Rupees Ten only) each, representing 9.09% of the number of equity shares in the total paid-up Equity share capital of the Company. The Buy-Back is proposed to be completed within 12 (twelve) months of the date of special resolution approving the proposed Buy-Back.

6. SCHEDULE OF ACTIVITIES FOR THE BUYBACK

S. No.	Activity	Day and Date of Event
1.	Date of Board meeting approving the proposal for the Buyback	Tuesday, August 06, 2024
2.	Date of special resolution by the Equity Shareholders of the Company through extraordinary general meeting, approving the Buy-back	Wednesday, September 04, 2024
3.	Date of Public Announcement	Thursday, September 05, 2024
4.	Date of publication of the Public Announcement for the Buyback in newspapers	Friday, September 06, 2024
5.	Record Date for determining the Buyback Entitlement and the names of Eligible Shareholders	Saturday, September 07, 2024
6.	Date of opening of the Buyback Offer	Thursday, September 12, 2024
7.	Date of closing of the Buyback Offer	Thursday, September 19, 2024
8.	Last date of receipt of completed Tender Form and other specified documents including physical certificates (if and as applicable) by the Registrar to the Buyback	Thursday, September 19, 2024
9.	Last date of verification of Tender Forms by the Registrar	Thursday, September 26, 2024
10.	Last date of intimation to BSE regarding acceptance or non-acceptance of tendered Equity Shares	Thursday, September 26, 2024
11.	Last date of settlement of bids by the Clearing Corporation on BSE	Thursday, September 26, 2024
12.	Last date of dispatch of share certificate(s) by the Registrar to the Buyback / payment to Eligible Shareholders/ return of unaccepted shares to Eligible Shareholders by BSE/Seller/Broker.	Thursday, September 26, 2024
13.	Last date of extinguishment of Equity Shares bought back	Monday, October 07, 2024

Note: In case the last date is mentioned for certain activities, such activities may be completed on or before such last date.

7. METHOD TO BE ADOPTED FOR THE BUY-BACK

The method to be adopted for the purpose of Buy-Back shall be on proportionate basis from the eligible Shareholders as of the Record Date, through "Tender Offer" route, as prescribed under the Buy-Back Regulations, to the extent permissible, and the "Mechanism for acquisition of shares through Stock Exchanges" as prescribed under SEBI Circulars. The Buy-Back will be implemented in accordance to the act read with the rules framed thereunder, the Buy-Back Regulations and on such terms and conditions as may be deemed fit by the company.

8. DETAILS OF PROMOTERS SHAREHOLDING AND OTHER DETAILS

8.1 The aggregate shareholding in our Company of the promoters and Promoter Group; as on the date of the notice of the EGM, August 06, 2024 is as follows:

S. No.	Name of Shareholder	No. of Equity Shares held	Percentage of issued Equity Share Capital
Promoter			
1.	Dinesh Apparao Bilgi	861671	21.77
2.	Neel Dinesh Bilgi	253550	6.40
3.	Chirag Dineshbhai Bilgi	256500	6.48
4.	Pragnesh Kantilal Shah	31100	0.79
5.	Laxman Chetandas Tilani	78500	1.98
Promoter Group			
6.	Bhavababen Dineshbhai Bilgi	280020	7.07
7.	Aashna Dinesh Bilgi	190000	4.80
8.	Dinesh Apparao Bilgi HUF	182200	4.60
9.	Manoj Uttam Shah	130900	3.31
10.	Kala Manoj Shah	119300	3.01
11.	Harkhchand Ravji Shah	100500	2.54
12.	Premal Vasant Shah	83700	2.11
13.	Hiren Vasant Shah	78800	1.99
14.	Meeta Laxman Tilani	64600	1.63
15.	Sushila Harakhchand Shah	35600	0.90
16.	Jayesh Laxman Tilani	35000	0.88
17.	Akansha Laxman Tilani	7500	0.19
18.	Chirag Dinesh Bilgi HUF	1300	0.03
19.	Neel Dinesh Bilgi HUF	1300	0.03
20.	Nirmala Lalchand Tilani	10	0.00
Total		27,92,051	70.53

The Promoter and Promoters group shall have same meaning as defined in the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011.

8.1.1 Shareholding of Directors and Key Managerial Personnel of the Company as on the date of the notice of the EGM i.e., August 06, 2024 is as follows:

DIN/PAN	Name	Designation	No. of Equity Shares	% of Shareholding
00287931	Mr. Balkrishna Ishwarlal Makwana	Independent Director	10	Negligible
AHPD5118P	Ms. Kairavi Neel Bilgi	Company Secretary & Compliance Officer	100	Negligible
Total			110	Negligible

No Equity Shares or other specified securities in the Company were either purchased or sold (either through the stock exchanges or off market transactions) by any of the (i) promoters; (ii) members of the promoter group from a period of six months preceding the date of the board meeting at which the buy back was approved till the Notice of the EGM i.e. August 06, 2024:

8.2 Intention of the Promoters and Persons in Control of the Company to tender equity shares in the Buy-Back:

Members of the promoter and promoter group of the Company intend to participate in the proposed Buy-Back as below:

S. No.	Name of Shareholder	No. of Equity Shares held	Percentage of issued Equity Share Capital
Promoter			
1.	Dinesh Apparao Bilgi	861671	21.77
2.	Neel Dinesh Bilgi	253550	6.40
3.	Chirag Dineshbhai Bilgi	256500	6.48
4.	Pragnesh Kantilal Shah	31100	0.79
5.	Laxman Chetandas Tilani	78500	1.98
Promoter Group			
6.	Bhavababen Dineshbhai Bilgi	280020	7.07
7.	Aashna Dinesh Bilgi	190000	4.80
8.	Dinesh Apparao Bilgi HUF	182200	4.60
9.	Manoj Uttam Shah	130900	3.31
10.	Kala Manoj Shah	119300	3.01
11.	Harkhchand Ravji Shah	100500	2.54
12.	Premal Vasant Shah	83700	2.11
13.	Hiren Vasant Shah	78800	1.99
14.	Meeta Laxman Tilani	64600	1.63
15.	Sushila Harakhchand Shah	35600	0.90
16.	Jayesh Laxman Tilani	35000	0.88
17.	Akansha Laxman Tilani	7500	0.19
18.	Chirag Dinesh Bilgi HUF	1300	0.03
19.	Neel Dinesh Bilgi HUF	1300	0.03
20.	Nirmala Lalchand Tilani	10	0.00
Total		27,92,051	70.53

As per the Data available on the Website of BSE Limited, the date, price and other details of the Equity Shares held by the Promoters and Promoters group who are intending to tender their shares are as follows:

S. No.	Date of Acquisition	No. of Equity Shares	Face Value (In Rs.)	Cost of Acquisition per Share (in Rs.)*	Transaction Value (In Rs.)	Nature of Transaction
Dinesh Apparao Bilgi						
1	01/04/2014	679710	10	N.A.#	N.A.#	Opening Balance**
2	23/06/2014	103100	10	N.A.#	N.A.#	Inter-se Transfer
3	15/09/2016	(172750)	10	N.A.#	N.A.#	Off-Market (Disposal)
4	09/03/2018	(102000)	10	-	-	Off-Market Gift (Disposal)
5	02/12/2021	11892	10	95.55	1136281.00	Market Purchase
6	14/12/2022	189000	10	122.00	22936000.00	Market Purchase
7	05/06/2023	126393	10	122.00	15419946.00	Market Purchase
8	14/06/2023	27326	10	122.00	3333772.00	Market Purchase
Total		861671				
Bhavababen Dineshbhai Bilgi						
1	01/04/2014	178020	10	N.A.#	N.A.#	Opening Balance**
2	09/03/2018	102000	10	-	-	Off Market Gift
Total		280020				
Chirag Dineshbhai Bilgi						
1	01/04/2014	166650	10	N.A.#	N.A.#	Opening Balance**
2	15/09/2016	86150	10	10.00	-	Off Market
3	30/03/2019	2950	10	65.97	194600.00	Off Market
4	05/03/2020	750	10	53.33	40000.00	Off Market
Total		256500				
Neel Dinesh Bilgi						
1	01/04/2014	166200	10	N.A.#	N.A.#	Opening Balance**
2	15/09/2016	86600	10	10.00	-	Off Market
3	05/03/2020	750	10	53.33	40000.00	Off Market
Total		253550				
Aashana Dinesh Bilgi						
1	01/04/2014	190000	10	N.A.#	N.A.#	Opening Balance**
Total		190000				
Dinesh Apparao Bilgi (HUF)						
1	01/04/2014	182200	10	N.A.#	N.A.#	Opening Balance**
Total		182200				
Manoj Uttam Shah						
1	01/04/2014	52500	10	N.A.#	N.A.#	Opening Balance**
2	21/03/2015	44500	10	10.00	445000	Inter-se Transfer
3	31/12/2015	33900	10	N.A.#	N.A.#	Inter se transfer
Total		130900				

S. No.	Date of Acquisition	No. of Equity Shares	Face Value (In Rs.)	Cost of Acquisition per Share (in Rs.)*	Transaction Value (In Rs.)	Nature of Transaction
Kala Manoj Shah						
1	01/04/2014	89400	10	N.A.#	N.A.#	Opening Balance**
2	30/12/2015	29900	10	N.A.#	N.A.#	Inter-se Transfer
3	Total	119300				
Harkhchand Ravji Shah						
1	01/04/2014	100500	10	N.A.#	N.A.#	Opening Balance**
Total		100500				
Premal Vasant Shah						
1	01/04/2014	37500	10	N.A.#	N.A.#	Opening Balance**
2	31/01/2018	46200	10	89.00	4111800.	

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11. REPORT BY THE COMPANY'S STATUTORY AUDITOR

The text of the Report dated August 06, 2024 received from M/s. Sweta Patel & Associates, Chartered Accountants, (FRN: 139165W) the Statutory Auditors of the Company, addressed to the Board of Directors of the Company is reproduced below:

QUOTE

To
The Board of Directors
AREX INDUSTRIES LIMITED
612, G.I.D.C. Estate, Chhatral, Taluka - Kalol
Dist. - Gandhinagar Gandhinagar - 382 729

Dear Sirs,

Sub: Independent Auditor's Report in respect of proposed buy back of equity shares by AREX INDUSTRIES LIMITED ("the Company") in terms clause (x) of Schedule I to the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 (as amended) (the "Buy-back Regulations")

- This Report is issued in accordance with the terms of our engagement letter dated 6th August 2024.
- The Board of Directors of the Company has approved a proposal for the buy-back of Equity Shares by the Company at its meeting held on 6th August 2024, in pursuance of the provisions of Sections 68, 69 and 70 of the Companies Act, 2013 (the Act) and the Buy-back Regulations.
- We have been requested by the Management of the Company to provide a report on the accompanying "Computation of amount of permissible capital payment towards buyback of equity shares of AREX INDUSTRIES LIMITED in compliance with Section 68(2)(c) of the Act and provisions under the Buy-back Regulations, based on annual audited standalone financial statements as on 31st March, 2024." (hereinafter referred to as the "Statement"). This Statement has been prepared by the Management, which we have initialled for the purpose of identification.

Management Responsibility

- The preparation of the Statement in compliance with Section 68(2)(c) of the Act, Regulation 4(i) of the Buy-back Regulations and the proviso to Regulation 5(i)(b) of the Buy-back Regulations and compliance with the Buy-back Regulations, is the responsibility of the Management of the Company, including the computation of the amount of the permissible capital payment (including premium), and the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

In the absence of any definition or guideline for "insolvent" in the Buy-back Regulations, the Company has considered a situation for not being able to continue as a going concern (as mentioned in Standard on Auditing 570 (Revised) issued by Institute of Chartered Accountants of India) for a period of 1 year from 6th August 2024 as "insolvent".

Auditor's Responsibility

- Pursuant to the requirements of the Buy-back Regulations, it is our responsibility to provide reasonable assurance whether:
 - We have inquired into the state of affairs of the Company in relation to the Annual audited financial statements of the company for the period ended 31st March, 2024;
 - The amount of permissible capital payment for the proposed buy-back of equity shares as stated in Annexure A, has been properly determined considering the Annual audited financial statements as at 31st March, 2024, in accordance with the provisions of Section 68(2) of the Act and Regulations 4 and 5 of the Buy-back Regulations; and
 - The Board of Directors of the Company, at its meeting held on 6th August, 2024, have formed the opinion as specified in Clause (x) of Schedule I to the Buy-back Regulations, on reasonable grounds that the Company having regard to its state of affairs will not be rendered insolvent within one year from the date of the board meeting held to consider the proposal of Buy-back of Equity Shares.
- The annual standalone financial statements referred to in paragraph 5 above, have been audited by us. We conducted the audit of the annual standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audit was not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.
- We conducted our examination of the Statement in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes (Revised 2016), issued by the Institute of Chartered Accountants of India (the "Guidance Note") and Standards on Auditing specified under Section 143(10) of the Act, in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
- We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements. Further our examination did not extend to any other parts and aspects of a legal or proprietary nature in the aforesaid buy-back.

Opinion

9. Based on inquiries conducted and our examination as above, we report that:

- We have inquired into the state of affairs of the Company in relation to its Annual audited financial statements for the financial period ended on 31st March 2024.
- The amount of permissible capital payment towards the proposed buy-back of Equity Shares as computed in the Statement attached herewith as Annexure A, in our view has been properly determined in accordance with section 68(2) of the Act and Regulations 4 and 5 of the Buy-back Regulations.
- The amount of share capital and its free reserves (including securities premium) have been extracted from the audited Annual financial statements of the Company as on March 31, 2024; and
- The Board of Directors of the Company, at its meeting held on 6th August 2024, have formed its opinion as specified in Clause (x) of Schedule I to the Buy-back Regulations, on reasonable grounds that the Company, having regard to its state of affairs, will not be rendered insolvent within one year from the date of the Board Meeting (i.e., 6th August 2024)

Restriction of use

Our work was performed solely to assist you in meeting your responsibilities in relation to compliance with the provision of section 68 and other applicable provisions of the act read with rule 17 (Share Capital & Debenture Rules 2014) as amended and the SEBI buyback regulation pursuant to the process buyback of equity shares. Our obligations in respect of this report are entirely separate and our responsibilities and liabilities in no way change by any other role we may have as auditor of the company or otherwise. Nothing in this report nor anything said or done in the course of or in connection with the services that are the subject of this report will extend any duty of care we may have in our capacity as the statutory auditor of the company.

This report has been issued at the request of the Company solely - (i) for use of the Company in connection with the proposed buy-back of Equity Shares of the Company in pursuance to the provisions of Section 68 and other applicable provisions of the Act and the Buy-back Regulations, (ii) to enable the Board of Directors of the Company to include it in the Public Announcement, Letter of Offer and other documents pertaining to buyback to be sent to the Shareholders of the Company or filed with (a) the Registrar of Companies, Securities and Exchange Board of India, Stock Exchange, public shareholders and any other regulatory authority as per applicable laws and (b) the Central Depository Services (India) Limited, National Securities Depository Limited and (iii) for providing to the manager, and should not be used by any other person and may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

We are also not responsible for changes, events and circumstances occurring after the date of this report which may require an update of this report

For, SWETA PATEL & ASSOCIATES
CHARTERED ACCOUNTANTS,
(Firm Registration No. - 139165W)

Date : 06/08/2024
Place : Ahmedabad

Sd/-
Sweta H. Patel
Partner
Membership No. 154493
UDIN: 24154493KATJK6466

Annexure A - Statement of Permissible Capital Payment (including premium) as at 31st March, 2024

Statement showing - Computation of amount of permissible capital payment towards buy-back of equity shares of Arex Industries Limited in compliance with Section 68 (2) (c) of the Act and provisions under the Buy-back Regulations, based on annual audited standalone financial statements as at 31st March 2024.

Sr. No.	Particulars	Standalone Amount
A	Paid up equity share capital and free reserves as on March 31, 2024, based on the Annual audited financial statements of the Company	
	Total paid-up Equity Share Capital	₹ 395.87
	Free Reserves*, comprising	
	- Securities Premium Account	-
	- General Reserve	-
	- Retained Earnings	₹ 2731.30
	Total Paid up Equity Share Capital and Free Reserves	₹ 3127.17
B	The amount of Maximum Permissible Capital Payment towards the Buyback being lower of;	
	The maximum permissible number of equity shares eligible for buyback in accordance with Section 68 (2) (c) of the Companies Act, 2013 (25% of total number of outstanding equity shares) (Nos.)	9.89
	The maximum permissible amount for buyback in accordance with Section 68 (2) (c) of the Companies Act, 2013 and regulations 4(i) of the Buyback Regulations (25% of the aggregate of total paid up capital and free reserves)#	₹ 781.79
	Amount approved by the Board of Directors at its meeting held on 6th August, 2024	₹ 702.00

Notes:

As per provisions of Section 68(2)(c) of the Companies Act, 2013, the maximum amount permissible for the buyback of equity shares of the Company is 25% or less of the aggregate of paid-up share capital and free reserves of the Company.

*As per Companies Act, 2013 Section 2(43) definition of "free reserves" means such reserves which, as per the last audited balance sheet of a company, are available for distribution as dividend, provided that i. any amount representing unrealized gains, notional gains, or revaluation of assets, whether shown as a reserve or otherwise, or; ii. any change in carrying amount of an asset or liability recognized in equity, including surplus in profit and loss account on measurement of the assets or the liability at fair value, shall not be treated as free reserves.

Note: The amounts of paid up equity capital and free reserves as at March 31, 2024 have been extracted from the annual audited standalone financial statements of the Company as at March 31, 2024 which was approved by the Board of Directors at the Board Meeting held on May 23, 2024.

For & On Behalf of the Board of directors

Arex Industries Limited

Signature	Sd/-	Sd/-
Name	Mr. Dinesh Apparao Bilgi	Mr. Neel Dinesh Bilgi
Designation	Managing Director cum CFO	Managing Director
DIN	00096099	00096180

Date: 06/08/2024

Place: Chhatral

UNQUOTE

12. PRIOR APPROVAL FROM LENDERS

As on the date of the Board meeting, the Company has outstanding facilities with lenders. In accordance with Regulation 5(i)(c) and Schedule I clause (xii) of the Buyback Regulations, The Company confirms that there is no breach of any covenants of the loans taken from all the lenders including the consortium of lenders. And further covenants are not being breached as a result of this Buyback.

13. PROCESS AND METHODOLOGY TO BE ADOPTED FOR BUY-BACK PROCESS

- The Buy-Back is open to all eligible shareholders, i.e., the shareholders who on the Record Date are holding Equity Shares either in physical form ("Physical Shares") and the beneficial owners who on the Record Date are holding Equity Shares in the dematerialized form ("Demat Shares") (such shareholders are referred to as the "Eligible Shareholders").
- The Buy-Back will be implemented using the "Mechanism for acquisition of shares through Stock Exchange" issued by SEBI vide circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and circular no. CFD/DCR/2/CIR/P/2016/131 dated December 9, 2016, and SEBI Circular CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021, and in accordance with the procedure prescribed in the Companies Act and the SEBI Buy-Back Regulations, and as may be determined by the Board of Directors, or the Executive Committee (a committee authorised by the Board to exercise its powers in relation to the Buyback, the "Buyback Committee"), on such terms and conditions as may be permitted by law from time to time.
- For implementation of the Buy-Back, the Company has appointed NNM Securities Private Limited as the registered broker to the Company (the "Company's Broker") through whom the purchases and settlements on account of the Buy-Back would be made by the Company. The contact details of the Company's Broker are as follows:

NNM Securities Private Limited
SEBI Registration No.: INZ000234235
CIN: U67120MH1997PTC111496
Address: B-6/7, 2nd Floor, Shri Siddhi Vinayak Plaza, Off. Link road, Opp. Citi Mall, Andheri (West) Mumbai-400055
Tel. No.: 022-4079 0032,
Email: nikunj.a.mittal@gmail.com
Contact Person: Mr. NikunjAnilkumar Mittal

- The Company shall request BSE to provide a separate window (the "Acquisition Window") to facilitate placing of sell orders by the Eligible Shareholders who wish to tender their Equity Shares in the Buy-Back. For the purpose of this Buy-Back, BSE would be the Designated Stock Exchange ("Designated Stock Exchange"). The details of the Acquisition Window will be as specified by BSE from time to time. In the event Stock Broker(s) of Eligible Shareholder is not registered with BSE, then the Eligible Shareholders can approach any BSE registered stock broker and can register themselves by using quick unique client code ("UCC") facility through the BSE registered stock broker (after submitting all details as may be required by such BSE registered stock broker in compliance with applicable law). In case the Eligible Shareholders are unable to register using UCC facility through any other BSE registered broker, Eligible Shareholders may approach Company's Broker i.e., NNM Securities Private Limited to place their bids.
- At the beginning of the tendering period, the order for buying Equity Shares will be placed by the Company through Company's Broker.
- During the tendering period, the order for selling the Equity Shares will be placed in the Acquisition Window by the Eligible Shareholders through their respective stock brokers ("Shareholder Broker") during normal trading hours of the secondary market. The Stock Broker can enter orders for Demat Shares as well as Physical Shares. In the tendering process, the Company's Broker may also process the orders received from the Eligible Shareholders.
- The reporting requirements for Non-Resident Shareholders under the Foreign Exchange Management Act, 1999, RBI and any other rules, regulations, guidelines, for remittance of funds, shall be made by the Eligible Shareholder and/or the Shareholder Broker through which the Eligible Shareholder places the bid.
- Modification/cancellation of orders and multiple bids from a single Eligible Shareholder will be allowed during the tendering period of the Buy-Back. Multiple bids made by a single Eligible Shareholder for selling Equity Shares shall be clubbed and considered as "one bid" for the purposes of acceptance.
- The cumulative quantity tendered shall be made available on the website of BSE (www.bseindia.com) throughout the trading session and will be updated at specific intervals during the tendering period.
- The Company will not accept Equity Shares tendered for the Buy-Back which under restraint order of the court for transfer/ sale and/or title in respect of which is otherwise under dispute or where loss of share certificates has been notified to the Company and the duplicate share certificates have not been issued either due to such request being under process as per the provisions of law or otherwise
- Any Equity Shares tendered after the Buy-Back Closing Date by an Eligible Shareholder shall not be accepted.
- All documents sent by the Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.
- In accordance with Regulation 24(v) of the Buy-Back Regulations, the Company shall not Buy-Back locked-in Equity Shares and non-transferable Equity Shares until the pendency of the lock-in or until such Equity Shares become transferable. The Company shall accept all the Equity Shares validly tendered in the Buy-Back by Eligible Shareholders, on the basis of their Buy-Back Entitlement as on the Record Date.

13.14 Procedure to be followed by Eligible Shareholders holding Demat Shares

- Eligible Shareholders holding Demat Shares who desire to tender their Demat Shares under the Buy-Back would have to do so through their respective Shareholder Broker by indicating to the concerned Shareholder Broker, the details of Equity Shares they intend to tender under the Buy-Back.
- The Shareholder Broker would be required to place an order/bid on behalf of the Eligible Shareholder who wish to tender Demat Shares in the Buy-Back using the Acquisition Window of the BSE.
- The lien shall be marked by the Shareholder Broker in the demat account of the Eligible Shareholder for the Equity Shares tendered in the Buy-Back. Details of such Equity Shares marked as lien in the demat account of the Eligible Shareholder shall be provided by the depositories to Clearing Corporations.
- In case, the Eligible Shareholder's demat account is held with one depository and clearing member pool and Clearing Corporation Account is held with other depository, shares shall be blocked in the Eligible Shareholder's demat account at source depository during the tendering period. Inter-Depository Tender Offer ("IDT") instructions shall be initiated by the Eligible Shareholders at source depository to Clearing Corporation / Clearing Member account at target depository. The source depository shall block the Eligible Shareholder's Equity Shares (i.e. transfers from free balance to blocked balance) and will send IDT message to target depository for confirming creation of lien. Details of Equity Shares blocked in the Eligible Shareholders demat account shall be provided by the target depository to the Clearing Corporation.
- For custodian participant orders for demat Equity Shares, early pay-in is mandatory prior to confirmation of order/bid by custodian participant. The custodian shall either confirm or reject the orders not later than the closing of trading hours on the last day of the tendering period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.
- Upon placing the bid, the Shareholder Broker shall provide a Transaction Registration Slip ("TRS") generated by the stock exchange bidding system to the Eligible Shareholder on whose behalf the order/bid has been placed. TRS will contain details of order submitted like Bid ID No., Application No., DP ID, Client ID, No. of Equity Shares tendered etc.
- It is clarified that, in case of Demat equity shares, submission of Tender Form and TRS is not mandatory. In case of non-receipt of the completed tender form and other documents, but receipt of Equity Shares in the accounts of the BSE Clearing and a valid bid in the exchange bidding system, the bid by such Equity Shareholder shall be deemed to have been accepted.

13.15 Procedure to be followed by the shareholders holding Physical Shares

- In accordance to SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020, Shareholders holding securities in physical form are allowed to tender Equity Shares in the Buy-Back through tender offer route. However, such tendering shall be as per the provisions of the Buy-Back Regulations.
- Eligible Shareholders who are holding physical Equity Shares and intend to participate in the Buy-Back will be required to approach their respective Shareholder Broker along with the complete set of documents for verification procedures to be carried out before placement of the bid. Such documents will include the (i) the Tender Form duly signed by all Eligible Shareholders (in case shares are in joint names, in the same order in which they hold the shares), (ii) the original share certificate(s), (iii) valid share transfer form(s)/Form SH-4 duly filled and signed by the transferees (i.e. by all registered Shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Company, (iv) self-attested copy of PAN Card(s) of all Eligible Shareholders, (v) any other relevant documents such as power of attorney, corporate authorization (including board resolution/specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder is deceased, etc., as applicable. In addition, if the address of the Eligible Shareholder has undergone a change from the address registered in the register of members of the Company, the Eligible Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar card, voter identity card or passport.
- Based on these documents, the concerned Shareholder Broker shall place an order/ bid on behalf of the Eligible Shareholders holding Equity Shares in physical form who wish to tender Equity Shares in the Buy-Back, using the acquisition window of BSE. Upon placing the bid, the Shareholder Broker shall provide a TRS generated by the exchange bidding system to the Eligible Shareholder. TRS will contain the details of order submitted like folio no., certificate no., distinctive no., No. of equity shares tendered etc.
- Any Shareholder Broker/Eligible Shareholder who places a bid for physical Equity Shares, is required to deliver the original share certificate(s) & documents (as mentioned above) along with TRS generated by exchange bidding system upon placing of bid, either by registered post, speed post or courier or hand delivery to the Registrar to the Buy-Back i.e. Link Intime India Private Limited (at the address mentioned at paragraph 14 below) not later than the offer closing date i.e. September 19, 2024 by 05:00 p.m. The envelope should be super scribed as "Arex Industries Limited Buy-Back 2024". One copy of the TRS will be retained by Registrar to the Buy-Back and it will provide acknowledgement of the same to the Shareholder Broker.
- The Eligible Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents are submitted. Acceptance of the physical Equity Shares for Buy-Back by the Company shall be subject to verification as per the SEBI Buy-Back Regulations and any further directions issued in this regard. The Registrar to the Buy-Back will verify such bids based on the documents submitted on a daily basis and till such verification, BSE shall display such bids as 'unconfirmed physical bids'. Once Registrar to the Buy-Back confirms the bids, they will be treated as 'confirmed bids'
- In case any Eligible Shareholder has submitted Equity Shares in physical form for Dematerialization, such Eligible Shareholders should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in the Buy-Back before the closure of the tendering period of the Buy-Back.
- An unregistered shareholder holding physical shares may also tender Equity Shares for Buy-Back by submitting the duly executed tender deed for transfer of shares, purchased prior to Record Date, in his name, along with the offer form, copy of his PAN card and of the person from whom he has purchased shares and other relevant documents as required for transfer, if any.

13.16 Method of Settlement

Upon finalization of the basis of acceptance as per SEBI Buy-Back Regulations:

- The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.
- The Company will pay the consideration to the Company's Broker who will transfer the funds pertaining to the Buy-Back to the Clearing Corporation's bank account as per the prescribed schedule.
- The Demat Shares bought back would be transferred directly to the Demat account of the Company opened for the Buy-Back (the "Company Demat Account") provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Company Demat Account on receipt of the Equity Shares from the clearing and settlement mechanism of BSE.

- The Eligible Shareholders of the Demat Shares will have to ensure that they keep the depository participant ("DP") account active and unblocked to receive credit in case of return of Demat Shares, due to rejection or due to non-acceptance in the Buy-Back.
- Excess Demat Shares or unaccepted Demat Shares, if any, tendered by the Eligible Shareholder would be returned to them by the Clearing Corporation. Any excess Physical Shares pursuant to proportionate acceptance/rejection will be returned back to the concerned Eligible Shareholders directly by the Registrar to the Buy-Back. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Physical Shares, in case the Physical Shares accepted by the Company are less than the Physical Shares tendered in the Buy-Back.
- In the case of inter-depository, BSE Clearing will cancel the excess or unaccepted shares in target depository. The source depository will not be able to release the lien without a release of IDT message from target depository. Further, release of IDT message shall be sent by target depository either based on cancellation request received from BSE Clearing or automatically generated after matching with bid accepted detail as received from the Company or the Registrar to the Buy-Back. Post receiving the IDT message from target depository, source depository will cancel/ release excess or unaccepted block shares in the Demat account of the Eligible Shareholder. Post completion of tendering period and receiving the requisite details viz., Demat account details and accepted bid quantity, source depository shall debit the securities as per the communication/ message received from target depository to the extent of accepted bid shares from Eligible Shareholder's Demat account and credit it to BSE Clearing settlement account in target depository on settlement date.
- The settlements of fund obligation for Demat and Physical Shares shall be affected as per the SEBI circulars and as prescribed by BSE and Clearing Corporation from time to time. For Demat Shares accepted under the Buy-Back, such beneficial owners will receive funds payout into their bank account as provided by the depository system directly to the Clearing Corporation and in case of Physical Shares, the Clearing Corporation will release the funds to the Shareholder Broker(s) as per secondary market payout mechanism. If such shareholder's bank account details are not available or if the funds transfer instruction is rejected by the Reserve Bank of India ("RBI")/ bank(s), due to any reasons, then the amount payable to the concerned shareholders will be transferred to the Shareholder Broker for onward transfer to such shareholders.
- In case of certain shareholders viz., NRIs, non-residents etc. (where there are specific regulatory requirements pertaining to funds payout including those prescribed by the RBI) who do not opt to settle through custodians, the funds payout would be given to their respective Shareholder Broker's settlement accounts for releasing the same to such shareholder's account. For this purpose, the client type details would be collected from the Registrar to the Buy-Back.
- The Shareholder Broker would issue contract note to the Eligible Shareholders tendering Equity Shares in the Buy-Back and pay the consideration for the Equity Shares accepted under the Buy-Back and will unblock the excess unaccepted Equity Shares. The Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buy-Back.
- Eligible Shareholders who intend to participate in the Buy-Back should consult their respective Shareholder Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Shareholder Broker upon the selling shareholders for tendering Equity Shares in the Buy-Back (secondary market transaction). The Buy-Back consideration received by the Eligible Shareholders in respect of accepted Equity Shares could be net of such costs, applicable taxes, charges and expenses (including brokerage) etc., and the Manager to the Buy-Back and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling shareholders.
- The Equity Shares bought will be extinguished in the manner and following the procedure prescribed in the SEBI Buy-Back Regulations.

14. RECORD DATE AND SHAREHOLDER ENTITLEMENT

- As required under the SEBI Buy-Back Regulations, the Company has fixed September 07, 2024 as the Record Date for the purpose of determining the entitlement and the names of the Eligible Shareholders.
- The Equity Shares to be bought back, as part of the Buy-Back is divided into two categories:
 - reserved category for Small Shareholders (defined under Regulation 2(i)(n) of the SEBI Buy-Back Regulations as a shareholder, who holds shares or other specified securities whose market value, on the basis of closing price on the recognized stock exchange in which the highest trading volume, as on record date, is not more than Rs. 2,00,000 (Rupees Two Lakhs only); and
 - the general category for all other shareholders.
- In accordance with Regulation 6 of the Buy-Back Regulations, the reserved category for Small Shareholders shall be 15% of the number of Equity Shares which the Company proposes to Buy-Back, or number of Equity Shares entitled as per shareholding of Small Shareholders, as on record date, whichever is higher.
- Based on the shareholding as on the Record Date, the Company will determine the entitlement of each shareholder to tender their Equity Shares in the Buy-Back. This entitlement for each shareholder will be calculated based on the number of Equity Shares held by the respective shareholder as on the Record Date and the ratio of Buy-Back applicable in the category to which such shareholder belongs.
- In order to ensure that the same Eligible Shareholder with multiple Demat accounts/folios do not receive a higher entitlement under the Small Shareholder category, the Equity Shares held by such Eligible Shareholder with a common PAN shall be clubbed together for determining the category (Small Shareholder or General Category) and the Buy-Back Entitlement. In case of joint shareholding, the Equity Shares held in cases where the sequence of the PANs of the joint shareholders is identical shall be clubbed together. In case of Eligible Shareholders holding physical shares, where the sequence of PANs is identical and where the PANs of all joint shareholders are not available, the Registrar to the Buy-Back will check the sequence of the names of the joint holders and club together the Equity Shares held in such cases where the sequence of the PANs and name of joint shareholders are identical. The shareholding of institutional investors like mutual funds, insurance companies, foreign institutional investors/foreign portfolio investors etc. with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these equity shares are held for different schemes/sub-accounts and have a different Demat account nomenclature based on information prepared by the Registrar to the Buy-Back as per the shareholder records created from the Depositories. Further, the Equity Shares held under the category of "clearing members" or "corporate body margin account" or "corporate body - broker" as per the beneficial position data as on Record Date with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are assumed to be held on behalf of clients.
- The Eligible Shareholders participation in the Buy-Back will be voluntary. The Eligible Shareholders can choose to participate, in full or in part, and get cash in lieu of equity shares to be accepted under the Buy-Back or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post Buy-Back, without additional investment. The Eligible Shareholders also have the option of tendering additional Equity Shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other shareholders, if any.
- The maximum tender under the Buy-Back by any shareholder cannot exceed the number of equity shares held by the shareholders as on the Record Date. In case, the eligible shareholders holds equity shares through multiple Demat accounts, the tender through a Demat account cannot exceed the number of equity shares held in that Demat account.
- The Equity Shares tendered as per the entitlement by Eligible Shareholders as well as additional Equity Shares tendered, if any, will be accepted as per the procedure laid down in SEBI Buy-Back Regulations.
- Participation in the Buy-Back by the shareholders may trigger capital gains taxation in India and their country of residence. The Buy-Back transaction would also be subject to securities transaction tax in India. The shareholders are advised to consult their own legal, financial and tax advisors prior to participating in the Buy-Back.
- Detailed instructions for participation in the Buy-Back (tendering of Equity Shares in the Buy-Back) as well as the relevant time table will be included in the Letter of Offer which will be sent in due course to the Eligible shareholders as on the Record Date. The dispatch of the letter of offer shall be through electronic mode in accordance with the provisions of the Companies Act within two (2) working days from the Record date. If the Company receives a request from any Eligible Shareholder to receive a copy of the letter of offer in physical form, the same shall be provided.

15. COMPANY SECRETARY & COMPLIANCE OFFICER

Kairavi Neel Bilgi
Company Secretary & Compliance Officer
612, GIDC, Industrial Estate, Chhatral Tal. Kalol, Gandhinagar, Gujarat. - 382729 India
Phone: 2764 234347
Email: mail@arex.in
Website: www.arex.in

Investors may contact the Company Secretary for any clarification or to address their grievances, if any, during office hours i.e. 10:30 a.m. to 5:00 p.m. on any day, except Sunday and public holidays.

16. INVESTOR SERVICE CENTRE / REGISTRAR TO THE BUY-BACK

In case of any query, the shareholders may contact the Registrar to the Buy-Back on any day, except Saturday, Sunday and public holidays between 10:30 a.m. and 5:00 p.m. at the following address:

LINK Intime Link Intime India Private Limited		
CIN: U67190MH1999PTC118368		
SEBI REG. No.: INR000004058		
Address: C 101, 1st Floor, 247 Park, L B S Marg, Vikhroli West, Mumbai - 400 083, Maharashtra, India		
Tel. No.: +91 8108114949; Fax: 22 4918 6060		
Email: arex.buyback2024@linkintime.co.in		
Website: www.linkintime.co.in		
Contact Person: Mr. Shanti Gopalkrishnan		

17. MANAGER TO THE BUY-BACK

INTERACTIVE FINANCIAL SERVICES LIMITED		
CIN: L65910GJ1994PLC023393		
SEBI Registration No. INM000012856		
Address: Office No. 508, Fifth Floor, Priviera, Nehru Nagar, Ahmedabad - 380 015, Gujarat, India		
Tel. No.: 079 49088019/+91 9898055647		
E-mail: mbd@ifinservices.in;		
Website: www.ifinservices.in		
Contact Person: Mr. Pradip Sandhir		

DIRECTORS RESPONSIBILITY

As per Regulation 24(i) (a) of the SEBI Buy-Back Regulations, the Board of Directors accepts responsibility for the information contained in this Public Announcement and for the information contained in all other advertisements, circulars, brochures, publicity materials etc. which may be issued in relation to the Buy-Back and confirms that the information in such documents contain and will contain true, factual and material information and does not and will not contain any misleading information.

This Public Announcement is issued under the authority of the Board in terms of Resolution passed by the Board on September 04, 2024.

For and on behalf of the Board of Directors of Arex Industries Limited

Sd/-	Sd/-	Sd/-
Dinesh Apparao Bilgi	Neel Dinesh Bilgi	Mrs. Kairavi Neel Bilgi
(Managing Director)	(Managing Director)	(Company Secretary & Compliance Officer)
DIN: 00096099	DIN: 00096180	

Date: September 05, 2024

Place: Chhatral



AREX INDUSTRIES LIMITED

Corporate Identification Number: L99999GJ1989PLC012213
 Regd. Off.: 612, GIDC Industrial Estate, Chhatral Tal. Kalol, Gandhinagar, Gujarat, India, 382729
 Tel. No.: 02764-233437 | E-mail: mail@arex.in | Website: www.arex.in
 Company Secretary and Compliance Officer: Kairavi Bilgi

PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF EQUITY SHAREHOLDERS / BENEFICIAL OWNERS OF EQUITY SHARES OF AREX INDUSTRIES LIMITED FOR THE BUY-BACK OF EQUITY SHARES THROUGH THE TENDER OFFER PROCESS IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (BUY-BACK OF SECURITIES) REGULATIONS, 2018, AS AMENDED ("BUY-BACK REGULATIONS")

This Public Announcement ("Public Announcement" or "PA") is being made in relation to the Buy-Back of Equity Shares of Arex Industries Limited through the tender offer process, pursuant to Regulation 7(i) and other applicable provisions of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, for the time being in force including any statutory modifications and amendments from time to time ("SEBI Buy-Back Regulations") and contains the disclosures as specified in Schedule II read with Schedule I of the SEBI Buy-back Regulations.

OFFER FOR BUY-BACK OF UP TO 3,60,000 (THREE LAKH SIXTY THOUSAND ONLY) FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH (RUPEES TEN ONLY) ON A PROPORTIONATE BASIS THROUGH THE TENDER OFFER PROCESS USING STOCK EXCHANGE MECHANISM AT A PRICE OF RS. 195/- (RUPEES ONE HUNDRED NINETY-FIVE ONLY) PER FULLY PAID-UP EQUITY SHARE, FOR AN AGGREGATE MAXIMUM AMOUNT NOT EXCEEDING RS. 7,02,00,000/- (RUPEES SEVEN CRORE TWO LAKH ONLY) (THE "BUY-BACK") PAYABLE IN CASH EXCLUDING THE TRANSACTION COST.

Certain figures in this Public Announcement, including the financial information, have been subject to rounding off adjustments. All decimals have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

1. DETAILS OF THE BUY-BACK OFFER AND BUY-BACK PRICE

1.1 The Board of Directors of Arex Industries Limited (the "Company") (the "Board" or the "Board of Directors") at their meeting held on August 06, 2024 ("Board Meeting"), wherein the Board has, subject to the approval of the members of the Company by way of Special Resolution through EGM, and pursuant to the provisions of Articles of Association of the Company and Section 68, 69, 70 and all other applicable provisions, if any, of the Companies Act, 2013, the Companies (Share Capital and Debenture) Rules, 2014 to the extent applicable, (the "Share Capital Rules"), and in compliance with the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 ("SEBI Buy-back Regulations"), including any statutory modifications or re-enactments thereof and subject to approval of SEBI, the BSE Limited ("BSE") where the equity shares of the Company are listed and such other approvals of statutory, regulatory or governmental authorities as may be required under applicable laws, passed a resolution and has approved the Buy-Back of fully paid-up Equity Shares up to 3,60,000 (Three Lakh Sixty thousand) Equity Shares from the equity shareholders/beneficial owners of Equity Shares as on record date i.e. September 07, 2024 (the "Record Date") (for further details in relation to the Record Date, refer to Paragraph 14 of this Public Announcement), on a proportionate basis, through the "Tender Offer" process by using Stock Exchange Mechanism, at a price of Rs. 195/- (Rupees One Hundred Ninety-five Only) ("Buy-Back Offer Price"), payable in cash, for an aggregate amount not exceeding Rs. 7,02,00,000/- (Rupees Seven Crore Two Lakh only) (the "Buy-Back Offer Size") (the process being referred hereinafter as the "Buy-Back") which is 9.09% of the total no. of shares in the paid-up equity share capital of the Company. The Buy-back Offer Size and the Buy-back Offer Price do not include taxes payable under Income-tax Act, 1961 and any expenses incurred or to be incurred for the Buy-Back viz., brokerage, costs, fees, turnover charges, taxes such as securities transaction tax and goods and services tax (if any), stamp duty, advisors fees, printing and dispatch expenses and other incidental and related expenses and charges ("Transaction Costs"). The Buy-Back shall be within 25% of the aggregate of paid-up capital and free reserves of the Company as per the audited financial statements of the Company for the financial year ending March 31, 2024. The Buy-Back Offer Size constitutes 22.45% of the aggregate of the Company's paid-up capital and free reserves as per the audited financial statement of the Company for the financial year ending March 31, 2024 which is within the prescribed limit of 25%.

1.2 Since the Buy-Back is more than 10% of the total paid-up equity share capital and free reserves of the Company, in terms of Section 68(2) (b) of the Act, the Board sought approval of the shareholders of the Company, by way of a special resolution, pursuant to the EGM dated September 04, 2024 (the "EGM"), the results of which were announced on September 04, 2024.

1.3 The Buy-Back shall be undertaken on a proportionate basis from the equity shareholders of the Company as on the Record Date ("Eligible Shareholders") through the tender offer process prescribed under Regulation 4(iv) (a) of the SEBI Buy-back Regulations. Additionally, the Buy-Back shall be, subject to applicable laws, implemented by tendering of Equity Shares by Eligible Shareholders and settlement of the same through the stock exchange mechanism as specified in the circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, circular no. CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and SEBI Circular CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021 and other applicable circular issued by the Securities and Exchange Board of India ("SEBI"). In this regard, the Company will request BSE to provide the acquisition window to facilitate tendering of Equity Shares under the Buy-back. Accordingly, Equity shares may be tendered through BSE. For the purpose of Buy-back, BSE Limited would be Designated Stock Exchange.

1.4 Participation in the Buy-back by Eligible Shareholders may trigger tax on distributed income to such shareholders (Buy-back Tax) in India and such tax to be discharged by the Company as per the procedure laid down in the applicable provisions of the Income-tax Act, 1961 read with any applicable rules framed thereunder. Consequently, any income received by Eligible Shareholders pursuant to the Buy-back of shares is exempt and hence not includable in the total taxable income of such shareholders. The transaction of Buy-Back would also be chargeable to securities transaction tax in India. Participation in the Buy-Back by non-resident Eligible Shareholders may trigger capital gains tax in the hands of such shareholders in their country of residence. In due course, the Eligible Shareholders will receive a letter of offer, which will contain a more detailed note on taxation. However, in view of the particularized nature of tax consequences, the Eligible Shareholders are advised to consult their own legal, financial and tax advisors prior to participating in the Buy-Back.

1.5 The Company is in compliance with the Regulation 38 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and will comply with the said Regulation at all times during the Buyback Period. Pursuant to the proposed Buyback and depending on the response to the Buyback, the voting rights of the members of the Promoter and Person in Control in the Company may increase or decrease from their existing shareholding in the total equity capital and voting rights of the Company. The Company confirms that after the completion of the Buyback, if it resulting in fall in minimum public shareholding requirements as specified in Regulation 38 of the SEBI Listing Regulations, the Company shall increase its public shareholding as specified in Regulation 38 and shall ensure the compliance with the requirement of minimum public shareholding requirements of the Company.

1.6 The Buy-Back Offer Price has been arrived at after considering various factors including, but not limited accumulated free reserves as well as the cash liquidity reflected in audited financial statements of the Company for the financial year March 31, 2024, the subsequent business developments, the prevailing market price of the equity shares of the Company before the announcement of Board Meeting for consideration of Buy-Back, the net worth of the Company and the impact of the Buy-Back on the key financial ratios of the Company. However, the Board of Directors/ or the Buy-Back Committee is authorised to determine the specific price, the number of Equity Shares and other related particulars at which the Buy-Back will be made as per the Record Date to the eligible Members. The Buy-Back Offer Price represents a premium of 24.07% over the volume weighted Average market Price (i.e. Rs. 157.16) of the equity share of the Company on BSE Limited, during 91 days (from May 02, 2024 to July 31, 2024 where the number of trading days in this period is 63 days), including the date on which the Company intimated to the Stock Exchange (i.e. July 31, 2024) of the date of the meeting of the Board wherein proposal of the Buy-Back was considered.

1.7 A copy of this Public Announcement is available on the Company's website i.e., www.arex.in, and is expected to be made available on the website of SEBI i.e., www.sebi.gov.in and on the websites of Stock Exchanges, i.e., www.bseindia.com, website of Manager to the offer: www.ifinservices.in during the period of the Buy-Back.

2. NECESSITY FOR BUY-BACK

2.1 Share Buy-Back is the acquisition by a company of its own shares. The Board is of the view that the proposed Buy-Back will help the Company achieve the following objectives (a) Optimize returns to shareholders; (b) Enhance overall shareholders value and (c) Optimizes the capital structure and enhance investors confidence. The above objectives will be achieved by returning part of surplus cash back to shareholders through the Buy-Back process. This may lead to reduction in outstanding Equity Shares, improvement in earnings per Equity Share and enhanced return on invested capital. The Buy-Back will not in any manner impair the ability of the Company to pursue growth opportunities or meet its cash requirements for business operations. The Board at its meeting held on August 06, 2024 considered the accumulated free reserves as well as the cash liquidity reflected in the last audited financial statements as on March 31, 2024 and considering these, the Board decided to allocate a sum of Rs. 7,02,00,000/- (Rupees Seven Crore Two Lakh only) excluding the Transaction Costs for distributing to the shareholders holding Equity Shares of the Company through the Buy-Back.

2.2 After considering several factors and benefits to the shareholders holding Equity Shares of the Company, the Board decided to recommend Buy-Back at a price of Rs. 195/- (Rupees One Hundred Ninety-five Only) per Equity Share for an aggregate consideration of Rs. 7,02,00,000/- (Rupees Seven Crore Two Lakh only). Buy-Back is being undertaken, inter-alia, for the following reasons:

- The Buy-Back will help the Company to return surplus cash to its shareholders holding Equity Shares broadly in proportion to their shareholding, thereby, enhancing the overall return to shareholders;
- The Buy-Back, which is being implemented through the tender offer route as prescribed under the SEBI Buy-Back Regulations, would involve allocation of number of shares as per their entitlement or 15% of the number of shares to be bought back whichever is higher, reserved for the small shareholders. The Company believes that this reservation for small shareholders would benefit a large number of public shareholders, who would get classified as "Small Shareholder" as per Regulation 2(i) (n) of the SEBI Buy-Back Regulations;
- The Buy-Back may help in improving return on equity, by reduction in the equity base, thereby leading to long term increase in shareholders' value;
- The Buy-Back gives an option to the Shareholders holding Equity Shares of the Company, who can choose to participate and get cash in lieu of Equity Shares to be accepted under the Buy-Back offer or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post the Buy-Back offer, without additional investment.

3. MAXIMUM AMOUNT REQUIRED UNDER THE BUY-BACK AND ITS PERCENTAGE OF THE TOTAL PAID-UP CAPITAL AND FREE RESERVES

3.1 The maximum amount required for Buy-Back will not exceed Rs. 7,02,00,000/- (Rupees Seven Crore two Lakh only) excluding Transaction Costs, being 22.45% of fully paid-up equity share capital and free reserves respectively, which is not exceeding 25% of the aggregate of the fully paid-up equity share capital and free reserves of the Company as per the last audited financial statements of the Company as on March 31, 2024.

3.2 The funds for the implementation of the proposed Buy-Back will be sourced out of the free reserves of the Company (including securities premium account) or such other source as may be permitted by the SEBI Buy-Back Regulations or the Companies Act. The funds used will not exceed 25% of the paid-up equity capital and free reserves of the Company as on March 31, 2024. The funds borrowed, if any, from Banks and Financial Institutions will not be used for the Buy-Back.

3.3 The Company shall transfer from its free reserves a sum equal to the nominal value of the Equity Shares so bought back through the Buy-Back to the Capital Redemption Reserve Account and details of such transfer shall be disclosed in its subsequent audited financial statement.

4. MAXIMUM PRICE AT WHICH THE EQUITY SHARES ARE PROPOSED TO BE BOUGHT BACK AND THE BASIS OF ARRIVING AT THE PRICE OF THE BUY-BACK

4.1 The Equity Shares of the Company are proposed to be bought back at a price of Rs. 195/- (Rupees One hundred Ninety-five Only) per Equity Share ("Buy-Back Offer Price"). The Buy-Back Offer Price has been arrived at after considering various factors including, but not limited to the trends in the volume weighted average prices of the Equity Shares on the BSE Limited ("BSE") where the Equity Shares are traded, the net worth of the Company, price earnings ratio, impact on other financial parameters and the possible impact of Buy-Back on the earnings per Equity Share.

4.2 The Premium of 24.07% to the volume weighted average market price (i.e. Rs. 157.16/-) of the Equity Shares of the Company on BSE, during the 91 days (from May 02, 2024 to July 31, 2024, where the number of trading days in this period is 63 days) including the date of intimation to the BSE for the Board Meeting i.e. July 31, 2024 to consider the proposal of the Buyback. The Company confirms that as required under Section 68(2)(d) of the Companies Act, the ratio of the aggregate of secured and unsecured debts owed by the Company will be not more than twice the paid-up Equity capital and free reserves after the Buy-Back.

5. MAXIMUM NUMBER OF SECURITIES THAT THE COMPANY PROPOSES TO BUY-BACK

The Company proposes to Buy-Back up to 3,60,000 (Three Lakh Sixty thousand only) fully paid-up Equity Shares of face value of Rs. 10/- (Rupees Ten only) each, representing 9.09% of the number of equity shares in the total paid-up Equity share capital of the Company. The Buy-Back is proposed to be completed within 12 (twelve) months of the date of special resolution approving the proposed Buy-Back.

6. SCHEDULE OF ACTIVITIES FOR THE BUYBACK

S. No.	Activity	Day and Date of Event
1.	Date of Board meeting approving the proposal for the Buyback	Tuesday, August 06, 2024
2.	Date of special resolution by the Equity Shareholders of the Company through extraordinary general meeting, approving the Buy-back	Wednesday, September 04, 2024
3.	Date of Public Announcement	Thursday, September 05, 2024
4.	Date of publication of the Public Announcement for the Buyback in newspapers	Friday, September 06, 2024
5.	Record Date for determining the Buyback Entitlement and the names of Eligible Shareholders	Saturday, September 07, 2024
6.	Date of opening of the Buyback Offer	Thursday, September 12, 2024
7.	Date of closing of the Buyback Offer	Thursday, September 19, 2024
8.	Last date of receipt of completed Tender Form and other specified documents including physical certificates (if and as applicable) by the Registrar to the Buyback	Thursday, September 19, 2024
9.	Last date of verification of Tender Forms by the Registrar	Thursday, September 26, 2024
10.	Last date of intimation to BSE regarding acceptance or non-acceptance of tendered Equity Shares	Thursday, September 26, 2024
11.	Last date of settlement of bids by the Clearing Corporation on BSE	Thursday, September 26, 2024
12.	Last date of dispatch of share certificate(s) by the Registrar to the Buyback / payment to Eligible Shareholders/ return of unaccepted shares to Eligible Shareholders by BSE/Seller Broker.	Thursday, September 26, 2024
13.	Last date of extinguishment of Equity Shares bought back	Monday, October 07, 2024

Note: In case the last date is mentioned for certain activities, such activities may be completed on or before such last date.

7. METHOD TO BE ADOPTED FOR THE BUY-BACK

The method to be adopted for the purpose of Buy-Back shall be on proportionate basis from the eligible Shareholders as of the Record Date, through "Tender Offer" route, as prescribed under the Buy-Back Regulations, to the extent permissible, and the "Mechanism for acquisition of shares through Stock Exchanges" as prescribed under SEBI Circulars. The Buy-Back will be implemented in accordance to the act read with the rules framed thereunder, the Buy-Back Regulations and on such terms and conditions as may be deemed fit by the company.

8. DETAILS OF PROMOTERS SHAREHOLDING AND OTHER DETAILS

8.1 The aggregate shareholding in our Company of the promoters and Promoter Group, as on the date of the notice of the EGM, August 06, 2024 is as follows:

S. No.	Name of Shareholder	No. of Equity Shares held	Percentage of issued Equity Share Capital
Promoter			
1.	Dinesh Apparao Bilgi	861671	21.77
2.	Neel Dinesh Bilgi	253550	6.40
3.	Chirag Dineshbhai Bilgi	256500	6.48
4.	Pragnesh Kantilal Shah	31100	0.79
5.	Laxman Chetandas Tilani	78500	1.98
Promoter Group			
6.	Bhavaband Dineshbhai Bilgi	280020	7.07
7.	Aashna Dinesh Bilgi	190000	4.80
8.	Dinesh Apparao Bilgi HUF	182200	4.60
9.	Manoj Uttam Shah	130900	3.31
10.	Kala Manoj Shah	119300	3.01
11.	Harkhchand Ravji Shah	100500	2.54
12.	Premal Vasant Shah	83700	2.11
13.	Hiren Vasant Shah	78800	1.99
14.	Meeta Laxman Tilani	64600	1.63
15.	Sushila Harakhchand Shah	35600	0.90
16.	Jayesh Laxman Tilani	35000	0.88
17.	Akansha Laxman Tilani	7500	0.19
18.	Chirag Dinesh Bilgi HUF	1300	0.03
19.	Neel Dinesh Bilgi HUF	1300	0.03
20.	Nirmala Lalchand Tilani	10	0.00
Total		27,92,051	70.53

The Promoter and Promoters group shall have same meaning as defined in the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011.

8.1.1 Shareholding of Directors and Key Managerial Personnel of the Company as on the date of the notice of the EGM i.e., August 06, 2024 is as follows:

DIN/PAN	Name	Designation	No. of Equity Shares	% of Shareholding
00287931	Mr. Balkrishna Ishwarlal Makwana	Independent Director	10	Negligible
AHPD5118P	Ms. Kairavi Neel Bilgi	Company Secretary & Compliance Officer	100	Negligible
Total			110	Negligible

No Equity Shares or other specified securities in the Company were either purchased or sold (either through the stock exchanges or off market transactions) by any of the (i) promoters; (ii) members of the promoter group from a period of six months preceding the date of the board meeting at which the buy back was approved till the Notice of the EGM i.e. August 06, 2024.

8.2 Intention of the Promoters and Persons in Control of the Company to tender equity shares in the Buy-Back:

Members of the promoter and promoter group of the Company intend to participate in the proposed Buy-Back as below:

S. No.	Name of Shareholder	No. of Equity Shares held	Percentage of issued Equity Share Capital
Promoter			
1.	Dinesh Apparao Bilgi	861671	21.77
2.	Neel Dinesh Bilgi	253550	6.40
3.	Chirag Dineshbhai Bilgi	256500	6.48
4.	Pragnesh Kantilal Shah	31100	0.79
5.	Laxman Chetandas Tilani	78500	1.98
Promoter Group			
6.	Bhavaband Dineshbhai Bilgi	280020	7.07
7.	Aashna Dinesh Bilgi	190000	4.80
8.	Dinesh Apparao Bilgi HUF	182200	4.60
9.	Manoj Uttam Shah	130900	3.31
10.	Kala Manoj Shah	119300	3.01
11.	Harkhchand Ravji Shah	100500	2.54
12.	Premal Vasant Shah	83700	2.11
13.	Hiren Vasant Shah	78800	1.99
14.	Meeta Laxman Tilani	64600	1.63
15.	Sushila Harakhchand Shah	35600	0.90
16.	Jayesh Laxman Tilani	35000	0.88
17.	Akansha Laxman Tilani	7500	0.19
18.	Chirag Dinesh Bilgi HUF	1300	0.03
19.	Neel Dinesh Bilgi HUF	1300	0.03
20.	Nirmala Lalchand Tilani	10	0.00
Total		27,92,051	70.53

As per the Data available on the Website of BSE Limited, the date, price and other details of the Equity Shares held by the Promoters and Promoters group who are intending to tender their shares are as follows:

S. No.	Date of Acquisition	No. of Equity Shares	Face Value (in Rs.)	Cost of Acquisition per Share (in Rs.)*	Transaction Value (in Rs.)	Nature of Transaction
Dinesh Apparao Bilgi						
1	01/04/2014	679710	10	N.A.#	N.A.#	Opening Balance**
2	23/06/2014	103100	10	N.A.#	N.A.#	Inter-se Transfer
3	15/09/2016	(172750)	10	N.A.#	N.A.#	Off-Market (Disposal)
4	09/03/2018	(102000)	10	-	-	Off-Market Gift (Disposal)
5	02/12/2021	11892	10	95.55	1136281.00	Market Purchase
6	14/12/2022	188000	10	122.00	22936000.00	Market Purchase
7	05/06/2023	126393	10	122.00	15419946.00	Market Purchase
8	14/06/2023	27326	10	122.00	3333772.00	Market Purchase
Total		861671				
Bhavaband Dineshbhai Bilgi						
1	01/04/2014	178020	10	N.A.#	N.A.#	Opening Balance**
2	09/03/2018	102000	10	-	-	Off Market Gift
Total		280020				
Chirag Dineshbhai Bilgi						
1	01/04/2014	166650	10	N.A.#	N.A.#	Opening Balance**
2	15/09/2016	86150	10	10.00	-	Off Market
3	30/03/2019	2950	10	65.97	194600.00	Off Market
4	05/03/2020	750	10	53.33	40000.00	Off Market
Total		256500				
Neel Dinesh Bilgi						
1	01/04/2014	166200	10	N.A.#	N.A.#	Opening Balance**
2	15/09/2016	86600	10	10.00	-	Off Market
3	05/03/2020	750	10	53.33	40000.00	Off Market
Total		253550				
Aashana Dinesh Bilgi						
1	01/04/2014	190000	10	N.A.#	N.A.#	Opening Balance**
Total		190000				
Dinesh Apparao Bilgi (HUF)						
1	01/04/2014	182200	10	N.A.#	N.A.#	Opening Balance**
Total		182200				
Manoj Uttam Shah						
1	01/04/2014	52500	10	N.A.#	N.A.#	Opening Balance**
2	21/03/2015	44500	10	10.00	445000	Inter-se Transfer
3	31/12/2015	33900	10	N.A.#	N.A.#	Inter se transfer
Total		130900				

S. No.	Date of Acquisition	No. of Equity Shares	Face Value (in Rs.)	Cost of Acquisition per Share (in Rs.)*	Transaction Value (in Rs.)	Nature of Transaction
Kala Manoj Shah						
1	01/04/2014	89400	10	N.A.#	N.A.#	Opening Balance**
2	30/12/2015	29900	10	N.A.#	N.A.#	Inter-se Transfer
3	Total	119300				
Harkhchand Ravji Shah						
1	01/04/2014	100500	10	N.A.#	N.A.#	Opening Balance**
Total		100500				
Premal Vasant Shah						
1	01/04/2014	37500	10	N.A.#	N.A.#	Opening Balance**
2	31/01/2018	4620				

(... Continued from previous page)

11. REPORT BY THE COMPANY'S STATUTORY AUDITOR

The text of the Report dated August 06, 2024 received from M/s. Sweta Patel & Associates, Chartered Accountants, (FRN: 139165W) the Statutory Auditors of the Company, addressed to the Board of Directors of the Company is reproduced below:

QUOTE

To
The Board of Directors
AREX INDUSTRIES LIMITED
612, G.I.D.C. Estate, Chhatral, Taluka - Kalol
Dist. - Gandhinagar Gandhinagar - 382 729
Dear Sirs,
Sub : Independent Auditor's Report in respect of proposed buy back of equity shares by AREX INDUSTRIES LIMITED ("the Company") in terms clause (xi) of Schedule I to the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 (as amended) (the "Buy-back Regulations")

- This Report is issued in accordance with the terms of our engagement letter dated 6th August 2024.
- The Board of Directors of the Company has approved a proposal for the buy-back of Equity Shares by the Company at its meeting held on 6th August 2024, in pursuance of the provisions of Sections 68, 69 and 70 of the Companies Act, 2013 (the Act) and the Buy-back Regulations.
- We have been requested by the Management of the Company to provide a report on the accompanying "Computation of amount of permissible capital payment towards buyback of equity shares of AREX INDUSTRIES LIMITED in compliance with Section 68(2)(c) of the Act and provisions under the Buy-back Regulations, based on annual audited standalone financial statements as on 31st March, 2024." (hereinafter referred to as the "Statement"). This Statement has been prepared by the Management, which we have initialled for the purpose of identification.

Management Responsibility

- The preparation of the Statement in compliance with Section 68(2)(c) of the Act, Regulation 4(i) of the Buy-back Regulations and the proviso to Regulation 5(i)(b) of the Buy-back Regulations and compliance with the Buy-back Regulations, is the responsibility of the Management of the Company, including the computation of the amount of the permissible capital payment (including premium), and the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

In the absence of any definition of or guideline for "Insolvent" in the Buy-back Regulations, the Company has considered a situation for not being able to continue as a going concern (as mentioned in Standard on Auditing 570 (Revised) issued by Institute of Chartered Accountants of India) for a period of 1 year from 6th August 2024 as "Insolvent".

Auditor's Responsibility

- Pursuant to the requirements of the Buy-back Regulations, it is our responsibility to provide reasonable assurance whether:
 - We have inquired into the state of affairs of the Company in relation to the Annual audited financial statements of the company for the period ended 31st March, 2024;
 - The amount of permissible capital payment for the proposed buy-back of equity shares as stated in Annexure A, has been properly determined considering the Annual audited financial statements as at 31st March, 2024, in accordance with the provisions of Section 68(2) of the Act and Regulations 4 and 5 of the Buy-back Regulations; and
 - The Board of Directors of the Company, at its meeting held on 6th August, 2024, have formed the opinion as specified in Clause (x) of Schedule I to the Buy-back Regulations, on reasonable grounds that the Company having regard to its state of affairs will not be rendered insolvent within one year from the date of the board meeting held to consider the proposal of Buy-back of Equity Shares.
- The annual standalone financial statements referred to in paragraph 5 above, have been audited by us. We conducted the audit of the annual standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audit was not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.
- We conducted our examination of the Statement in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes (Revised 2016), issued by the Institute of Chartered Accountants of India (the "Guidance Note") and Standards on Auditing specified under Section 143(10) of the Act, in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
- We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements. Further our examination did not extend to any other parts and aspects of a legal or proprietary nature in the aforesaid buy-back.

Opinion

9. Based on inquiries conducted and our examination as above, we report that:

- We have inquired into the state of affairs of the Company in relation to its Annual audited financial statements for the financial period ended on 31st March 2024.
- The amount of permissible capital payment towards the proposed buy-back of Equity Shares as computed in the Statement attached herewith as Annexure A, in our view has been properly determined in accordance with section 68(2) of the Act and Regulations 4 and 5 of the Buy-back Regulations.
- The amount of share capital and its free reserves (including securities premium) have been extracted from the audited Annual financial statements of the Company as on March 31, 2024; and
- The Board of Directors of the Company, at its meeting held on 6th August 2024, have formed its opinion as specified in Clause (x) of Schedule I to the Buy-back Regulations, on reasonable grounds that the Company, having regard to its state of affairs, will not be rendered insolvent within one year from the date of the Board Meeting (i.e., 6th August 2024)

Restriction of use

Our work was performed solely to assist you in meeting your responsibilities in relation to compliance with the provision of section 68 and other applicable provisions of the act read with rule 17 (Share Capital & Debenture Rules 2014) as amended and the SEBI buyback regulation pursuant to the process buyback of equity shares. Our obligations in respect of this report are entirely separate and our responsibilities and liabilities in no way change by any other role we may have as auditor of the company or otherwise. Nothing in this report nor anything said or done in the course of or in connection with the services that are the subject of this report will extend any duty of care we may have in our capacity as the statutory auditor of the company.

This report has been issued at the request of the Company solely - (i) for use of the Company in connection with the proposed buy-back of Equity Shares of the Company in pursuance to the provisions of Section 68 and other applicable provisions of the Act and the Buy-back Regulations, (ii) to enable the Board of Directors of the Company to include it in the Public Announcement, Letter of Offer and other documents pertaining to buyback to be sent to the Shareholders of the Company or filed with (a) the Registrar of Companies, Securities and Exchange Board of India, Stock Exchange, public shareholders and any other regulatory authority as per applicable laws and (b) the Central Depository Services (India) Limited, National Securities Depository Limited and (iii) for providing to the manager, and should not be used by any other person and may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

We are also not responsible for changes, events and circumstances occurring after the date of this report which may require an update of this report

For, SWETA PATEL & ASSOCIATES
CHARTERED ACCOUNTANTS,
(Firm Registration No. - 139165W)
Sd/-
Sweta H. Patel
Partner
Membership No. 154493
UDIN: 24154493BKATUK6466

Annexure A - Statement of Permissible Capital Payment (including premium) as at 31 March, 2024
Statement showing - Computation of amount of permissible capital payment towards buy-back of equity shares of Arex Industries Limited in compliance with Section 68 (2) (c) of the Act and provisions under the Buy-back Regulations, based on annual audited standalone financial statements as at 31st March 2024.

Sr. No.	Particulars	Standalone Amount
A	Paid up equity share capital and free reserves as on March 31, 2024, based on the Annual audited financial statements of the Company	
	Total paid-up Equity Share Capital	₹ 395.87
	Free Reserves*, comprising	
	- Securities Premium Account	-
	- General Reserve	-
	- Retained Earnings	₹ 2731.30
	Total Paid up Equity Share Capital and Free Reserves	₹ 3127.17
B	The amount of Maximum Permissible Capital Payment towards the Buyback being lower of:	
	The maximum permissible number of equity shares eligible for buyback in accordance with Section 68 (2) (c) of the Companies Act, 2013 (25% of total number of outstanding equity shares) (Nos.)	9.89
	The maximum permissible amount for buyback in accordance with Section 68 (2) (c) of the Companies Act, 2013 and regulations 4(i) of the Buyback Regulations (25% of the aggregate of total paid up capital and free reserves)#	₹ 781.79
	Amount approved by the Board of Directors at its meeting held on 6th August, 2024	₹ 702.00

Notes:

As per provisions of Section 68(2)(c) of the Companies Act, 2013, the maximum amount permissible for the buyback of equity shares of the Company is 25% or less of the aggregate of paid-up share capital and free reserves of the Company.

*As per Companies Act, 2013 Section 2(43) definition of "free reserves" means such reserves which, as per the last audited balance sheet of a company, are available for distribution as dividend, provided that i. any amount representing unrealized gains, notional gains, or revaluation of assets, whether shown as a reserve or otherwise, or; ii. any change in carrying amount of an asset or liability recognized in equity, including surplus in profit and loss account on measurement of the assets or the liability at fair value, shall not be treated as free reserves.

Note: The amounts of paid up equity capital and free reserves as at March 31, 2024 have been extracted from the annual audited standalone financial statements of the Company as at March 31, 2024 which was approved by the Board of Directors at the Board Meeting held on May 23, 2024.

For & On Behalf of the Board of directors

Arex Industries Limited
Signature Sd/- Sd/-
Name Mr. Dinesh Apparao Bilgi Mr. Neel Dinesh Bilgi
Designation Managing Director cum CFO Managing Director
DIN 00096099 00096180

Date: 06/08/2024
Place: Chhatral

UNQUOTE

12. PRIOR APPROVAL FROM LENDERS

As on the date of the Board meeting, the Company has outstanding facilities with lenders. In accordance with Regulation 5(i) (c) and Schedule I clause (xii) of the Buyback Regulations, the Company confirms that there is no breach of any covenants of the loans taken from all the lenders including the consortium of lenders. And further covenants are not being breached as a result of this Buyback.

13. PROCESS AND METHODOLOGY TO BE ADOPTED FOR BUY-BACK PROCESS

- The Buy-Back is open to all eligible shareholders, i.e., the shareholders who on the Record Date are holding Equity Shares either in physical form ("Physical Shares") and the beneficial owners who on the Record Date are holding Equity Shares in the dematerialized form ("Demat Shares") (such shareholders are referred as the "Eligible Shareholders").
- The Buy-Back will be implemented using the "Mechanism for acquisition of shares through Stock Exchange" issued by SEBI vide circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and circular no. CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, and SEBI Circular CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021, and in accordance with the procedure prescribed in the Companies Act and the SEBI Buy-Back Regulations, and as may be determined by the Board of Directors, or the Executive Committee (a committee authorised by the Board to exercise its powers in relation to the Buyback, the "Buyback Committee"), on such terms and conditions as may be permitted by law from time to time.
- For implementation of the Buy-Back, the Company has appointed NNM Securities Private Limited as the registered broker to the Company (the "Company's Broker") through whom the purchases and settlements on account of the Buy-Back would be made by the Company. The contact details of the Company's Broker are as follows:

NNM Securities Private Limited
SEBI Registration No.: INZ000234235
CIN: U67120MH1997PTC111496
Address: B-6/7, 2nd Floor, Shri Siddhi Vinayak Plaza, Off. Link road, Opp. Citi Mall, Andheri (West) Mumbai-400053
Tel. No.: 022-4079 0032,
Email: nikunj.a.mittal@gmail.com
Contact Person: Mr. Nikunj Anilkumar Mittal

- The Company shall request BSE to provide a separate window (the "Acquisition Window") to facilitate placing of sell orders by the Eligible Shareholders who wish to tender their Equity Shares in the Buy-Back. For the purpose of this Buy-Back, BSE would be the Designated Stock Exchange ("Designated Stock Exchange"). The details of the Acquisition Window will be as specified by BSE from time to time. In the event Stock Broker(s) of Eligible Shareholder is not registered with BSE, then the Eligible Shareholders can approach any BSE registered stock broker and can register themselves by using quick unique client code ("UCC") facility through the BSE registered stock broker (after submitting all details as may be required by such BSE registered stock broker in compliance with applicable law). In case the Eligible Shareholders are unable to register using UCC facility through any other BSE registered broker, Eligible Shareholders may approach Company's Broker i.e., NNM Securities Private Limited to place their bids.
- At the beginning of the tendering period, the order for buying Equity Shares will be placed by the Company through Company's Broker.
- During the tendering period, the order for selling the Equity Shares will be placed in the Acquisition Window by the Eligible Shareholders through their respective stock brokers ("Shareholder Broker") during normal trading hours of the secondary market. The Stock Broker can enter orders for Demat Shares as well as Physical Shares. In the tendering process, the Company's Broker may also process the orders received from the Eligible Shareholders.
- The reporting requirements for Non-Resident Shareholders under the Foreign Exchange Management Act, 1999, RBI and any other rules, regulations, guidelines, for remittance of funds, shall be made by the Eligible Shareholder and/or the Shareholder Broker through which the Eligible Shareholder places the bid.
- Modification/cancellation of orders and multiple bids from a single Eligible Shareholder will be allowed during the tendering period of the Buy-Back. Multiple bids made by a single Eligible Shareholder for selling Equity Shares shall be clubbed and considered as "one bid" for the purposes of acceptance.
- The cumulative quantity tendered shall be made available on the website of BSE (www.bseindia.com) throughout the trading session and will be updated at specific intervals during the tendering period.
- The Company will not accept Equity Shares tendered for the Buy-Back which under restraint order of the court for transfer/ sale and/or title in respect of which is otherwise under dispute or where loss of share certificates has been notified to the Company and the duplicate share certificates have not been issued either due to such request being under process as per the provisions of law or otherwise
- Any Equity Shares tendered after the Buy-Back Closing Date by an Eligible Shareholder shall not be accepted.
- All documents sent by the Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.
- In accordance with Regulation 24(v) of the Buy-Back Regulations, the Company shall not Buy-Back locked-in Equity Shares and non-transferable Equity Shares until the pendency of the lock-in or until such Equity Shares become transferable. The Company shall accept all the Equity Shares validly tendered in the Buy-Back by Eligible Shareholders, on the basis of their Buy-Back Entitlement as on the Record Date.

13.14 Procedure to be followed by Eligible Shareholders holding Demat Shares

- Eligible Shareholders holding Demat Shares who desire to tender their Demat Shares under the Buy-Back would have to do so through their respective Shareholder Broker by indicating to the concerned Shareholder Broker, the details of Equity Shares they intend to tender under the Buy-Back.
- The Shareholder Broker would be required to place an order/bid on behalf of the Eligible Shareholder who wish to tender Demat Shares in the Buy-Back using the Acquisition Window of the BSE.
- The lien shall be marked by the Shareholder Broker in the demat account of the Eligible Shareholder for the Equity Shares tendered in the Buy-Back. Details of such Equity Shares marked as lien in the demat account of the Eligible Shareholder shall be provided by the depositories to Clearing Corporations.
- In case, the Eligible Shareholder's demat account is held with one depository and clearing member pool and Clearing Corporation Account is held with other depository, shares shall be blocked in the Eligible Shareholder's demat account at source depository during the tendering period. Inter-Depository Tender Offer ("IDT") instructions shall be initiated by the Eligible Shareholders at source depository to Clearing Corporation / Clearing Member account at target depository. The source depository shall block the Eligible Shareholder's Equity Shares (i.e. transfers from free balance to blocked balance) and will send IDT message to target depository for confirming creation of lien. Details of Equity Shares blocked in the Eligible Shareholders demat account shall be provided by the target depository to the Clearing Corporation.
- For custodian participant orders for demat Equity Shares, early pay-in is mandatory prior to confirmation of order/bid by custodian participant. The custodian shall either confirm or reject the orders not later than the closing of trading hours on the last day of the tendering period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.
- Upon placing the bid, the Shareholder Broker shall provide a Transaction Registration Slip ("TRS") generated by the stock exchange bidding system to the Eligible Shareholder on whose behalf the order/bid has been placed. TRS will contain details of order submitted like Bid ID No., Application No., DP ID, Client ID, No. of Equity Shares tendered etc.
- It is clarified that, in case of Demat equity shares, submission of Tender Form and TRS is not mandatory. In case of non-receipt of the completed tender form and other documents, but receipt of Equity Shares in the accounts of the BSE Clearing and a valid bid in the exchange bidding system, the bid by such Equity Shareholder shall be deemed to have been accepted.

13.15 Procedure to be followed by the shareholders holding Physical Shares

- In accordance to SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020. Shareholders holding securities in physical form are allowed to tender Equity Shares in the Buy-Back through tender offer route. However, such tendering shall be as per the provisions of the Buy-Back Regulations.
- Eligible Shareholders who are holding physical Equity Shares and intend to participate in the Buy-Back will be required to approach their respective Shareholder Broker along with the complete set of documents for verification procedures to be carried out before placement of the bid. Such documents will include the (i) the Tender Form duly signed by all Eligible Shareholders (in case shares are in joint names, in the same order in which they hold the shares), (ii) original share certificate(s), (iii) valid share transfer form(s)/Form SH-4 duly filled and signed by the transferors (i.e. by all registered Shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Company, (iv) self-attested copy of PAN Card(s) of all Eligible Shareholders, (v) any other relevant documents such as power of attorney, corporate authorization (including board resolution/specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder is deceased, etc., as applicable. In addition, if the address of the Eligible Shareholder has undergone a change from the address registered in the register of members of the Company, the Eligible Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar card, voter identity card or passport.
- Based on these documents, the concerned Shareholder Broker shall place an order/ bid on behalf of the Eligible Shareholders holding Equity Shares in physical form who wish to tender Equity Shares in the Buy-Back, using the acquisition window of BSE. Upon placing the bid, the Shareholder Broker shall provide a TRS generated by the exchange bidding system to the Eligible Shareholder. TRS will contain the details of order submitted like folio no., certificate no., distinctive no., No. of equity shares tendered etc.
- Any Shareholder Broker/Eligible Shareholder who places a bid for physical Equity Shares, is required to deliver the original share certificate(s) & documents (as mentioned above) along with TRS generated by exchange bidding system upon placing of bid, either by registered post, speed post or courier or hand delivery to the Registrar to the Buy-Back i.e. Link Intime India Private Limited (at the address mentioned at paragraph 14 below) not later than the offer closing date i.e. September 19, 2024 by 05:00 p.m. The envelope should be super scribed as "Arex Industries Limited Buy-Back 2024". One copy of the TRS will be retained by Registrar to the Buy-Back and it will provide acknowledgement of the same to the Shareholder Broker.
- The Eligible Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents are submitted. Acceptance of the physical Equity Shares for Buy-Back by the Company shall be subject to verification as per the SEBI Buy-Back Regulations and any further directions issued in this regard. The Registrar to the Buy-Back will verify such bids based on the documents submitted on a daily basis and till such verification, BSE shall display such bids as 'unconfirmed physical bids'. Once Registrar to the Buy-Back confirms the bids, they will be treated as 'confirmed bids'
- In case any Eligible Shareholder has submitted Equity Shares in physical form for Dematerialization, such Eligible Shareholders should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in the Buy-Back before the closure of the tendering period of the Buy-Back.
- An unregistered shareholder holding physical shares may also tender Equity Shares for Buy-Back by submitting the duly executed transfer deed for transfer of shares, purchased prior to Record Date, in his name, along with the offer form, copy of his PAN card and of the person from whom he has purchased shares and other relevant documents as required for transfer, if any.

13.16 Method of Settlement

Upon finalization of the basis of acceptance as per SEBI Buy-Back Regulations:

- The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.
- The Company will pay the consideration to the Company's Broker who will transfer the funds pertaining to the Buy-Back to the Clearing Corporation's bank account as per the prescribed schedule.
- The Demat Shares bought back would be transferred directly to the Demat account of the Company opened for the Buy-Back (the "Company Demat Account") provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Company Demat Account on receipt of the Equity Shares from the clearing and settlement mechanism of BSE.

- The Eligible Shareholders of the Demat Shares will have to ensure that they keep the depository participant ("DP") account active and unblocked to receive credit in case of return of Demat Shares, due to rejection or due to non-acceptance in the Buy-Back.
- Excess Demat Shares or unaccepted Demat Shares, if any, tendered by the Eligible Shareholder would be returned to them by the Clearing Corporation. Any excess Physical Shares pursuant to proportionate acceptance/rejection will be returned back to the concerned Eligible Shareholders directly by the Registrar to the Buy-Back. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Physical Shares, in case the Physical Shares accepted by the Company are less than the Physical Shares tendered in the Buy-Back.
- In the case of inter-depository, BSE Clearing will cancel the excess or unaccepted shares in target depository. The source depository will not be able to release the lien without a release of IDT message from target depository. Further, release of IDT message shall be sent by target depository either based on cancellation request received from BSE Clearing or automatically generated after matching with bid accepted detail as received from the Company or the Registrar to the Buy-Back. Post receiving the IDT message from target depository, source depository will cancel/ release excess or unaccepted block shares in the Demat account of the Eligible Shareholder. Post completion of tendering period and receiving the requisite details viz., Demat account details and accepted bid quantity, source depository shall debit the securities as per the communication/ message received from target depository to the extent of accepted bid shares from Eligible Shareholders' Demat account and credit it to BSE Clearing settlement account in target depository on settlement date.
- The settlements of fund obligation for Demat and Physical Shares shall be affected as per the SEBI circulars and as prescribed by BSE and Clearing Corporation from time to time. For Demat Shares accepted under the Buy-Back, such beneficial owners will receive funds payout in their bank account as provided by the depository system directly to the Clearing Corporation and in case of Physical Shares, the Clearing Corporation will release the funds to the Shareholder Broker(s) as per secondary market payout mechanism. If such shareholder's bank account details are not available or if the funds transfer instruction is rejected by the Reserve Bank of India ("RBI") bank(s), due to any reasons, then the amount payable to the concerned shareholders will be transferred to the Shareholder Broker for onward transfer to such shareholders.
- In case of certain shareholders viz., NRIs, non-residents etc. (where there are specific regulatory requirements pertaining to funds payout including those prescribed by the RBI) who do not opt to settle through custodians, the funds payout would be given to their respective Shareholder Broker's settlement accounts for releasing the same to such shareholder's account. For this purpose, the client type details would be collected from the Registrar to the Buy-Back.
- The Shareholder Broker would issue contract note to the Eligible Shareholders tendering Equity Shares in the Buy-Back and pay the consideration for the Equity Shares accepted under the Buy-Back and will unblock the excess unaccepted Equity Shares. The Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buy-Back.
- Eligible Shareholders who intend to participate in the Buy-Back should consult their respective Shareholder Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Shareholder Broker upon the selling shareholders for tendering Equity Shares in the Buy-Back (secondary market transaction). The Buy-Back consideration received by the Eligible Shareholders in respect of accepted Equity Shares could be net of such costs, applicable taxes, charges and expenses (including brokerage) etc., and the Manager to the Buy-Back and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling shareholders.
- The Equity Shares bought will be extinguished in the manner and following the procedure prescribed in the SEBI Buy-Back Regulations.

14. RECORD DATE AND SHAREHOLDER ENTITLEMENT

- As required under the SEBI Buy-Back Regulations, the Company has fixed September 07, 2024 as the Record Date for the purpose of determining the entitlement and the names of the Eligible Shareholders.
- The Equity Shares to be bought back, as part of the Buy-Back is divided into two categories:
 - reserved category for Small Shareholders (defined under Regulation 2(i)(n) of the SEBI Buy-Back Regulations as a shareholder, who holds shares or other specified securities whose market value, on the basis of closing price on the recognized stock exchange in which the highest trading volume, as on record date, is not more than Rs. 2,00,000 (Rupees Two Lakhs only); and
 - the general category for all other Shareholders.
- In accordance with Regulation 6 of the Buy-Back Regulations, the reserved category for Small Shareholders shall be 15% of the number of Equity Shares which the Company proposes to Buy-Back, or number of Equity Shares entitled as per shareholding of Small Shareholders, as on record date, whichever is higher.
- Based on the shareholding as on the Record Date, the Company will determine the entitlement of each shareholder to tender their Equity Shares in the Buy-Back. This entitlement for each shareholder will be calculated based on the number of Equity Shares held by the respective shareholder as on the Record Date and the ratio of Buy-Back applicable in the category to which such shareholder belongs.
- In order to ensure that the same Eligible Shareholder with multiple Demat accounts/folios do not receive a higher entitlement under the Small Shareholder category, the Equity Shares held by such Eligible Shareholder with a common PAN shall be clubbed together for determining the category (Small Shareholder or General Category) and the Buy-Back Entitlement. In case of joint shareholding, the Equity Shares held in cases where the sequence of the PANs of the joint shareholders is identical shall be clubbed together. In case of Eligible Shareholders holding physical shares, where the sequence of PANs is identical and where the PANs of all joint shareholders are not available, the Registrar to the Buy-Back will check the sequence of the names of the joint holders and club together the Equity Shares held in such cases where the sequence of the PANs and name of joint shareholders are identical. The shareholding of institutional investors like mutual funds, insurance companies, foreign institutional investors/foreign portfolio investors etc. with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these equity shares are held for different schemes/sub-accounts and have a different Demat account nomenclature based on information prepared by the Registrar to the Buy-Back as per the shareholder records received from the Depositories. Further, the Equity Shares held under the category of "clearing members" or "corporate body margin account" or "corporate body - broker" as per the beneficial position data as on Record Date with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are assumed to be held on behalf of clients.
- The Eligible Shareholders participation in the Buy-Back will be voluntary. The Eligible Shareholders can choose to participate, in full or in part, and get cash in lieu of equity shares to be accepted under the Buy-Back or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post Buy-Back, without additional investment. The Eligible Shareholders also have the option of tendering additional Equity Shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other shareholders, if any.
- The maximum tender under the Buy-Back by any shareholder cannot exceed the number of equity shares held by the shareholders as on the Record Date. In case, the eligible shareholders holds equity shares through multiple Demat accounts, the tender through a Demat account cannot exceed the number of equity shares held in that Demat account.
- The Equity Shares tendered as per the entitlement by Eligible Shareholders as well as additional Equity Shares tendered, if any, will be accepted as per the procedure laid down in SEBI Buy-Back Regulations.
- Participation in the Buy-Back by the shareholders may trigger capital gains taxation in India and their country of residence. The Buy-Back transaction would also be subject to securities transaction tax in India. The shareholders are advised to consult their own legal, financial and tax advisors prior to participating in the Buy-Back.
- Detailed instructions for participation in the Buy-Back (tendering of Equity Shares in the Buy-Back) as well as the relevant time table will be included in the Letter of Offer which will be sent in due course to the Eligible shareholders as on the Record Date. The dispatch of the letter of offer shall be through electronic mode in accordance with the provisions of the Companies Act within two (2) working days from the Record date. If the Company receives a request from any Eligible Shareholder to receive a copy of the letter of offer in physical form, the same shall be provided.

15. COMPANY SECRETARY & COMPLIANCE OFFICER

Kairavi Neel Bilgi
Company Secretary & Compliance Officer
612, GIDC, Industrial Estate, Chhatral Tal. Kalol, Gandhinagar, Gujarat, - 382729 India
Phone: 2764 233437
Email: mail@arex.in,
Website: www.arex.in

Investors may contact the Company Secretary for any clarification or to address their grievances, if any, during office hours i.e. 10:30 a.m. to 5:00 p.m. on any day, except Sunday and public holidays.

16. INVESTOR SERVICE CENTRE / REGISTRAR TO THE BUY-BACK

In case of any query, the shareholders may contact the Registrar to the Buy-Back on any day, except Saturday, Sunday and public holidays between 10:30 a.m. and 5:00 p.m. at the following address:

LINKIntime Link Intime India Private Limited
CIN: U67190MH1999PTC118368
SEBI REG. No.: INR000004058
Address: C 101, 1st Floor, 247 Park, L B S Marg, Vikhroli West, Mumbai – 400 083, Maharashtra, India
Tel. No.: +91 8108114949; Fax: 22 4918 6060
Email: arex.buyback2024@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Mr. Shanti Gopalkrishnan

17. MANAGER TO THE BUY-BACK

INTERACTIVE FINANCIAL SERVICES LIMITED
CIN: L65910GJ1994PLC023393
SEBI Registration No. INM000012856
Address: Office No. 508, Fifth Floor, Priviera, Nehru Nagar, Ahmedabad – 380 015, Gujarat, India
Tel. No.: 079 49088019/+91 9989055647
E-mail: mbd@ifinservices.in;
Website: www.ifinservices.in
Contact Person: Mr. Pradip Sandhir

DIRECTORS RESPONSIBILITY

As per Regulation 24(i) (a) of the SEBI Buy-Back Regulations, the Board of Directors accepts responsibility for the information contained in this Public Announcement and for the information contained in all other advertisements, circulars, brochures, publicity materials etc. which may be issued in relation to the Buy-Back and confirms that the information in such documents contain and will contain true, factual and material information and does not and will not contain any misleading information.

This Public Announcement is issued under the authority of the Board in terms of Resolution passed by the Board on September 04, 2024.

For and on behalf of the Board of Directors of Arex Industries Limited

Sd/-	Sd/-	Sd/-
Dinesh Apparao Bilgi	Neel Dinesh Bilgi	Mrs. Kairavi Neel Bilgi
(Managing Director)	(Managing Director)	(Company Secretary & Compliance Officer)
DIN: 00096099	DIN: 00096180	

Date: September 05, 2024
Place: Chhatral