



NOTICE

NOTICE is hereby given that an Extra-Ordinary General Meeting of Arex Industries Limited will be held on Wednesday, 4<sup>th</sup> September, 2024, via Video Conference or Other Audio-Visual Means at 12:30 p.m. to transact the following special business.

The proceedings of the Extra Ordinary General Meeting ("EGM") shall be deemed to be conducted at the Registered Office of the Company at 612, Phase-I, GIDC Industrial Estate, Chhatral, Tal.: Kalol, Dist.: Gandhinagar, Gujarat – 382729, India which shall be the deemed venue of the EGM.

SPECIAL BUSINESS:

1. Buyback of Equity Shares of the Company:

To consider and, if thought fit, to pass with or without modification (s) the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to Article of the Articles of Association of the Company and the provisions of Sections 68, 69, 70, 100 and other applicable provisions, if any, of the Companies Act, 2013 (as amended) (the "Act"), the Companies (Share Capital and Debentures) Rules, 2014 and the Companies (Management and Administration) Rules, 2014, to the extent applicable, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (the "Share Capital Rules") to the extent applicable, and in compliance with the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 (as amended) (the "Buyback Regulations"), and subject to such approvals, permissions and sanctions as may be required and subject to such conditions and modifications, if any, as may be prescribed or imposed by the appropriate authorities while granting such approvals, permissions and sanctions, which may be agreed by the Board of Directors of the Company (hereinafter referred to as the "Board", which shall include any Committee constituted/ to be constituted by the Board of Directors of the Company to exercise powers conferred by this resolution, including the Buyback Committee), consent of the members of the Company be and is hereby accorded to the Board for buyback of upto 3,60,000 (Three Lac Sixty Thousand) Equity Shares of the Company at ₹ 195/- (Rupees One Hundred Ninety Five Only) per Equity Share (hereinafter referred to as the "Buyback Price") for an aggregate amount not exceeding ₹ 7,02,00,000/- (Rupees Seven Crores Two Lacs only) excluding any expenses incurred or to be incurred for the buyback such as fee payable to the Securities and Exchange Board of India ("SEBI"), advisors' fees, public announcement publication expenses, printing and dispatch expenses, transaction costs viz. brokerage, applicable taxes such as securities transaction tax, goods and services tax, stamp duty, etc. and other incidental and related expenses (hereinafter referred to as the "Buyback Size"), representing 9.09% and 22.45% which is not exceeding 25% of the total number of equity shares in the total paid up equity capital of the Company and aggregate of the paid-up share capital and free reserves of the Company based on the audited financial statements of the Company for the financial year ended on March 31, 2024 respectively out of the Free Reserves of the Company or such other source as may be permitted by the Buyback Regulations or the Act, from the members of the Company, as on record date to be determined by the Board (hereinafter referred to as the "the Record Date"), on a proportionate basis through "Tender Offer" route through Stock Exchange mechanism as prescribed under the Buyback Regulations (the "Buyback")."

"RESOLVED FURTHER THAT the Buyback shall be implemented using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with circular CFD/ DCR2/ CIR/ P/ 2016/131 dated December 09, 2016 and circular SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021, including any amendments or statutory modifications for the time being in force ("SEBI Circulars")."



"RESOLVED FURTHER THAT the Company may buy-back Shares from the existing members of the Company as on the Record Date, on a proportionate basis, provided that 15% of the number of Shares under the Buyback or the number of Shares entitled as per the shareholding of small shareholders, whichever is higher, shall be reserved for small shareholders as prescribed under Regulation 6 of the Buyback Regulations."

"RESOLVED FURTHER THAT the Buy-back shall be made by the Company from the free reserves and securities premium of the Company or such other permissible sources and on such terms and conditions as the Board may decide from time to time in the absolute discretion of the Board as it may deem fit."

"RESOLVED FURTHER THAT Company shall not use borrowed funds, directly or indirectly, whether secured or unsecured, of any form and nature, from banks and financial institutions for paying the consideration to the equity shareholders who have tendered their Equity Shares in the Buy-back."

"RESOLVED FURTHER THAT the Company shall not buy-back the locked-in Equity Shares or other specified securities and non-transferable shares or other specified securities till the pendency of the lock-in or till the Equity Shares or other specified securities become transferable."

"RESOLVED FURTHER THAT the Buyback of Shares from the non-resident members of the Company, including Overseas Corporate Bodies, Foreign Institutional Investors, members of foreign nationality, etc., shall be subject to such approvals, if and to the extent necessary or required, including approvals from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder, if any and that such approvals shall be required to be taken by such shareholders themselves."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the power(s) conferred hereinabove as it may in its absolute discretion deem fit, to any Director(s) / Key Managerial Personnel / Officer(s) / Authorised Representative(s) / Committee of the Company (including the Buyback Committee) in order to give effect to the aforesaid resolution, including but not limited to:

- finalizing/modifying the terms of the Buyback, as may be permissible under the law, with regard to the fixation of the Record Date, entitlement ratio, the time frame for completion of the Buyback, etc.;
- the appointment of merchant bankers /registrars / broker(s), legal counsel, depository participant(s), escrow agent(s), advertising agency(ies) and other advisor(s)/consultant(s) / intermediary(ies) / agency(ies), as may be required, for the implementation of the Buyback and decide and settle the remuneration for such persons/ advisors/ consultants/ intermediaries/agencies including by the payment of commission, brokerage, fee, charges etc;
- To open, operate and close special trading window account with the designated stock exchange and to decide the authorized signatories for special trading window account;
- To authorize bankers to act upon the instructions of the Merchant Banker as required under the Buyback Regulations;
- to make all necessary applications to the appropriate authorities for seeking their approvals including but not limited to approvals, as may be required, from the Securities and Exchange Board of India, Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules, regulations framed thereunder;



- to initiate all necessary actions for preparation, signing, issuing and filing of the Public Announcement, the Draft Letter of Offer, Letter of Offer and all other documents with respect to the Buyback with the Securities and Exchange Board of India, the stock exchanges and other appropriate authorities, as may be required;
- to obtain all necessary certificates and reports from the Statutory Auditors and other third parties as may be required under applicable laws;
- To verify offer/acceptances received, to finalize basis of acceptance, to pay to the members consideration for shares bought back pursuant to the Buyback;
- To adopt text of and to make Public Announcement, Letter of Offer and all offer documents with respect to the Buy-back, whether before or after the Buyback and any revision thereto;
- to enter into escrow arrangements and appoint escrow agents as required or desirable in terms of the Buyback Regulations and to open, operate and close all necessary accounts including escrow account, special payment account, demat escrow account as required or desirable in terms of the Buyback Regulations and to enter into escrow and other agreements with and to give instructions to the bankers in connection therewith, and provide bank guarantee(s) as may be required on such terms as deemed fit and to decide authorized signatories to such accounts including bank accounts and escrow accounts;
- opening, operation and closure of necessary bank accounts (including escrow account), issuance of bank guarantee in favour of the merchant bankers, or deposit of acceptable securities with appropriate margin with the merchant bankers, entering into agreements, release of public announcement, filing of declaration of solvency, obtaining all necessary certificates and reports from statutory auditors and other third parties as required under applicable law;
- for the extinguishment of dematerialized shares and physical destruction of share certificates in respect of the Equity Shares bought back by the Company and filing of certificates of extinguishment required to be filed in connection with the Buy-back;
- to determine, finalise and pay tax on buyback; and
- to provide, finalise, execute and file such other undertakings, agreements, documents and correspondence, in connection with the Buyback with the Securities and Exchange Board of India, Reserve Bank of India, Stock Exchanges, Registrar of Companies, depositories or other authorities or third persons from time to time as may be required, desirable or considered expedient for the implementation of the Buyback."

"RESOLVED FURTHER THAT nothing contained herein shall confer any right on the part of any member to offer and / or any obligation on the part of the Company or the Board or the Buyback Committee to Buyback any shares, and/or impair any power of the Company or the Board or the Buyback Committee to terminate any process in relation to such Buyback, if so permissible by law."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby severally authorized to accept and make any alteration(s), modification(s) to the terms and conditions as it may deem necessary, concerning any aspect of the Buyback, in accordance with the statutory requirements as well as to give such directions as may be necessary or desirable, to settle any questions, difficulties or doubts that may arise and



generally, to do all acts, deeds, matters and things as it may, in absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters consequential to the Buyback without seeking any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolution are hereby approved, ratified and confirmed in all respects."

Place: Chhatral  
Date: 6<sup>th</sup> August, 2024

By order of the Board  
For Arex Industries Limited

Sd/-  
Dinesh Bilgi  
(DIN: 00096099)  
Managing Director cum CFO

**NOTES:**

1. In view of the massive outbreak of the COVID - 19 pandemic, social distancing is a norm to be followed and pursuant to General Circular No. 14/2020 dated April 08, 2020, General Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by General Circular No. 20/2020 dated May 05, 2020, General Circular No. 20/2021 dated December 8, 2021 and General Circular No. 11/2022 dated December 28, 2022 and Circular number SEBI / HO / CFD / CMD1 / CIR / P/2020/79 issued by the Securities and Exchange Board of India (SEBI), physical attendance of the Members to the General Meeting venue is not required and general meeting (AGM/EGM) be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing General Meeting through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020 read with Circular No. 03/2022 dated May 5, 2022, General Circular No. 11/2022 dated December 28, 2022 and Circular No. 09/2023 dated September 25, 2023 issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this General Meeting. The Body Corporates are entitled to appoint authorized representatives to attend the General Meeting through VC/OAVM and participate thereat and cast their votes through e-voting.
3. The Members can join the General Meeting in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the General Meeting through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the General Meeting without restriction on account of first come first served basis.
4. Participation of members through VC will be reckoned for the purpose of quorum for the General Meeting as per section 103 of the Companies Act, 2013 ("the Act").
5. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the General Meeting through VC. Corporate members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution / authorization letter to the Company or upload on the VC portal / e-voting portal.



6. A statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") in respect of the special business of the Notice is annexed hereto.
7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the General Meeting. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of General Meeting. Members seeking to inspect such documents can send an email to the Company Secretary at mail@arex.in.
8. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the General Meeting. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the General Meeting will be provided by CDSL. Members who have cast their votes by remote e-voting prior to the General Meeting may participate in the General Meeting but shall not be entitled to cast their votes again. The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the instructions for e-voting section which forms part of this Notice.
9. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the General Meeting has been uploaded on the website of the Company at [www.arex.co.in](http://www.arex.co.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the General Meeting Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. [www.evotingindia.com](http://www.evotingindia.com).
10. In compliance with the Circulars, the Notice of the General Meeting, instructions for e-voting are being sent only through electronic mode to those members whose email addresses are registered with the Company / depository participant(s).
11. We urge members to support our commitment to environmental protection by choosing to receive the Company's communication through email. Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with their respective depository participants, and members holding shares in physical mode are requested to update their email addresses with the Company's RTA at [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in), to receive copies of the Annual Report for the Financial Year 2023-24 in electronic mode. Members may provide their detail in the sheet annexed to this Notice.
12. All the correspondence pertaining to shareholding, transfer of shares, transmission etc. should be lodged at the Company's Share Registrar and Transfer Agent:

Link Intime India Limited  
Registrar to Issue & Share Transfer Agents



**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 Website : www.arex.in Email : mail@arex.in

Add: 506 to 508, ABC-I, B/s. Gala Business Centre, Nr. St. Xavier's College Corner, Sardar Patel Nagar, Ellisbridge, Ahmedabad, Gujarat – 380006, India

Email Id: ahmedabad@linkintime.co.in

Website: www.linkintime.co.in

Ph. No.: +91-79-26465179

13. SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the RTA.
14. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit these details to their DP in case the shares are held by them in electronic form, and to the RTA, in case the shares are held in physical form.
15. The members who wish to nominate, any person to whom his/her securities shall vest in the event of his/her death may do so by submitting the attached nomination Form to the Company or the Registrar and Transfer Agent of the Company. A nomination may be cancelled, or varied by nominating any other person in place of the present nominee, by the holder of securities who has made the nomination, by giving a notice of such cancellation or variation.
16. Since the General Meeting will be held through VC or OAVM in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.
17. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the EGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to scrutinizer.arex@gmail.com with a copy marked to mail@arex.in. However, the Body Corporate are entitled to appoint authorised representatives to attend the EGM through VC/OAVM and participate thereat and cast their votes through e-voting.
18. The e-voting period commences on Sunday, 1<sup>st</sup> September, 2024 from 9.00 A.M. (IST) and ends at 5.00 P.M. IST on Tuesday, 3<sup>rd</sup> September, 2024. During this period, Members holding shares in dematerialized form, as on Wednesday, 28<sup>th</sup> August, 2024; i.e., cut-off date, may cast their vote electronically.
19. Members seeking any information with regard to the matter to be placed at the EGM, are requested to write to the Company on or before Wednesday, 28<sup>th</sup> August, 2024 to email id mail@arex.in. The same will be replied by the Company suitably.
20. Abraham Pingle & Associates, Practicing Company Secretaries has been appointed as the scrutinizer to scrutinize the votes to be casted through remote e-voting and e-voting during the meeting in a fair and transparent manner. The Scrutinizer shall, immediately after and not later than 48 hours from conclusion of the meeting, make a Scrutinizer's Report of the total votes cast in favour and against the resolution and invalid votes, if any, to the Chairman of the meeting.
21. The result of the voting along with the Scrutinizer's Report, shall be displayed at the Registered Office of the Company and its website viz. www.arex.co.in, immediately after



declaration. The results shall also be immediately forwarded to the stock exchanges where Company's equity shares are listed i.e. BSE Limited.

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

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

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

(i) The voting period begins on Sunday, 1<sup>st</sup> September, 2024 from 9.00 A.M. (IST) and ends at 5.00 P.M. IST on Tuesday, 3<sup>rd</sup> September, 2024. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 28<sup>th</sup> August, 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

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

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

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





	screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022-4886 7000 and 022-2499 7000

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

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



6) If you are a first-time user follow the steps given below:

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

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN <240807016> for the relevant <AREX INDUSTRIES LIMITED> on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.



- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
  - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [csabrahampingle@gmail.com](mailto:csabrahampingle@gmail.com) and [mail@arex.in](mailto:mail@arex.in) if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

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



mobile number at mail@arex.in. These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

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

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

**EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013**

Item No: 1.

Members are informed that the Board of Directors of the Company (the "Board") has, at its meeting held on 6<sup>th</sup> August, 2024, approved the proposal to undertake buyback of its equity shares, the details of which are as contained in the resolution stated at Item No. 1 of the Notice.

As per the applicable provisions of the Companies Act, 2013 (as amended) (the "Act"), the Companies (Share Capital and Debentures) Rules, 2014 (as amended) (the "Share Capital Rules") and the SEBI (Buy Back of Securities) Regulations, 2018 (as amended) (the "Buyback Regulations"), this Explanatory Statement contains relevant and material information to enable the members holding equity shares of the Company to consider and approve the proposed Special Resolution for the Buyback by the Company of its equity shares as under:

- *Necessity for the Buyback*



**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 Website : www.arex.in Email : mail@arex.in

1. The Buyback will help the Company to return surplus cash to its members, holding equity shares and tendering under the Buyback, broadly in proportion to their shareholding, thereby enhancing the overall return to the members;
2. The Buyback, which is being implemented through the Tender Offer route as prescribed under the Buyback Regulations, would involve allocation of higher of number of shares as per their entitlement or 15% of the number of shares to be bought back, 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";
3. The Buyback may help in improving return on equity, by reduction in the equity base, thereby leading to long term increase in shareholders' value;
4. The Buyback gives an option to the members holding equity shares of the Company, who can choose to participate and get cash in lieu of equity shares to be accepted under the Buyback offer or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post the Buyback, without any additional investment.
5. Optimizes the capital structure and enhance investor confidence.

- *Method to be adopted for the Buyback:*

1. The Buyback shall be on a proportionate basis from all the members holding equity shares of the Company through the "Tender Offer" route, as prescribed under the Buyback Regulations. The Buyback will be implemented in accordance with the Act and the Share Capital Rules under the Companies Act, 2013 and SEBI (Buyback) Regulations, 2018, to the extent applicable and on such terms and conditions as may be deemed fit by the Company. As required under the Buyback Regulations, the Company will announce a record date (the "Record Date") for determining the names of the members holding equity shares of the Company who will be eligible to participate in the Buyback. In due course, a Letter of Offer along with a Tender / Offer Form indicating the entitlement of the shareholder for participating in the Buyback will be dispatched to each shareholder as on the Record Date.

The equity shares to be bought back as a part of the buyback shall be divided in two categories:

- a) Reserved category for small shareholders; and
- b) General category for all other shareholders

As defined in Regulation 2(i) (n) of the Buyback Regulations, a 'small shareholder' means a shareholder of a listed company, who holds shares or other specified securities whose market value, on the basis of closing price of shares or other specified securities, on the recognised stock exchange in which highest trading volume in respect of such security, as on record date is not more than Rs. 2, 00,000/- (Rupees Two Lakh Only).

In accordance with the proviso to Regulation 6 of the Buyback Regulations, 15% (Fifteen Percent) of the number of equity shares which the Company proposes to buyback or number of equity shares entitled as per the shareholding of small shareholders as on the Record Date, whichever is higher, shall be reserved for the small shareholders as part of this Buyback.



Based on the holding on the Record Date, the Company will determine the entitlement of each shareholder to tender his shares in the Buyback. 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 Buyback applicable in the category to which such shareholder belongs.

In accordance with Regulation 9(ix) of the Buy-back Regulations, to ensure that the same shareholders with multiple demat accounts/folios do not receive a higher entitlement under the Small Shareholder category, the Company will club together the Equity Shares held by such shareholders with a common PAN for determining the category (Small Shareholder or General) and entitlement under the Buy-back. In case of joint shareholding, the Company will club together the Equity Shares held in cases where the sequence of the PANs of the joint shareholders is identical. In case of physical shareholders, where the sequence of PANs is identical, the Company will club together the Equity Shares held in such cases. Similarly, in case of physical shareholders where PAN is not available, the Company will check the sequence of names of the joint holders and club together the Equity Shares held in such cases where the sequence of name of joint shareholders is identical.

Shareholders' participation in Buyback will be voluntary. The maximum tender under the Buyback by any shareholder shall not exceed the number of Equity Shares held by the shareholder as on the Record Date. The Equity Shares tendered as per the entitlement by Members holding Equity Shares of the Company as well as additional shares tendered, if any, will be accepted as per the procedure laid down in Buyback Regulations. The settlement of the tenders under the Buyback is expected to be done using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with circular CFD/DCR2/CIR/ P/ 2016/131 dated December 09, 2016 and circular SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021, including any amendments or statutory modifications for the time being in force ("SEBI Circulars").

Detailed instructions for participation in the Buyback as well as the relevant time table will be included in the Letter of Offer which will be sent in due course to the members holding equity shares of the Company as on the Record Date.

The Buyback from non-resident members, Overseas Corporate Bodies (OCBs) and Foreign Institutional Investors (FIIs), and members of foreign nationality, if any, etc. shall be subject to such approvals as may be required including approvals from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules, regulations framed thereunder, if any.

- *Maximum amount required under the Buyback, its percentage of the total paid up share capital and free reserves (including Securities Premium Account) and the sources of funds from which the Buyback would be financed*

The maximum amount required under the Buyback will not exceed Rs. 7,02,00,000/- (Rupees Seven Crores Two Lacs Only) excluding any expenses incurred or to be incurred for the buyback such as fee payable to the Securities and Exchange Board of India ("SEBI"), advisors' fees, public announcement publication expenses, printing and dispatch expenses, transaction costs viz. brokerage, applicable taxes such as securities transaction tax, goods and services tax, stamp duty and other incidental and related expenses etc., representing 9.09% and 22.45% which is not exceeding 25% of the total number of equity shares in the total paid up equity capital of the Company and aggregate of the paid-up share capital and free reserves as per the audited financial statements, respectively, for the year ended March 31, 2024, being within the 25% limit of



paid-up Share Capital and Free Reserves as per the provisions of the BuyBack Regulation and the Act.

The Buyback would be financed out of free reserves and/or securities premium or such other permissible sources of the Company. The Company shall transfer from its Free Reserves and / or Securities Premium Account a sum equal to the nominal value of the equity shares bought back through the Buyback to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent audited financial statement.

The funds borrowed, if any, from banks and financial institutions will not be used for purpose of the Buy-back.

- *Maximum Buyback Price and the basis of arriving at the Buyback Price*

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 (the "Buyback Price").

The Buyback Price has been arrived at after considering various factors such as the 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 Buyback, the net worth of the Company and the impact of the Buyback on the key financial ratios of the Company.

The Buyback Price of Rs. 195/- per equity share represents a premium of 24.07% over the weighted Average price of the 90 days of the Equity Shares on the BSE Limited ("BSE") from 2<sup>nd</sup> May, 2024 to 31<sup>st</sup> July, 2024, being the date on which the Company intimated the Stock Exchanges of the date of the meeting of the Board wherein proposal of the Buyback was considered.

- *Number of shares that the Company proposes to buyback and the time limit for completing the Buyback*

The Company proposes to buyback up to 3,60,000/- (Three Lacs Sixty Thousand Only) equity shares of the face value of Rs. 10/- each of the Company. The Buyback is proposed to be completed within one year from the date of passing of the Special Resolution approving the proposed Buyback.

- *Particulars of the previous Buyback: There is no previous buyback done by the Company.*

- *Compliance with Section 68(2)(c) of the Act*

The Buyback is in compliance with the provisions of Section 68(2) (c) of the Act. Under the provisions of the Act, the funds deployed for the Buyback cannot exceed 25% of the aggregate fully paid-up equity share capital and free reserves (including securities premium) of the Company as per latest audited financial statements for the financial year of the Company as on March 31, 2024. The maximum amount proposed to be utilized for the Buy-back, is within the limit of 25% of the Company's fully paid up share capital and free reserves (including securities premium) as per the audited financial statements of the Company as on March 31, 2024 (the last audited financial statements available as on the date of Board Meeting recommending the proposal for the Buyback). The amount of equity share capital and free reserves (including Securities Premium) based on the audited financial statements of the Company as on March 31, 2024 is as under:

Particulars	Amount (in Lakh)
(A) Paid up equity share capital	Rs. 395.87
(B) Free Reserves:	
Retained Earnings	Rs. 2731.30
General Reserve	-
Total Paid up Capital and Free Reserves (A) + (B)	Rs. 3127.17
Permissible capital payment (25% of the paid up	Rs. 781.79

capital and free reserves)	
Buyback Size proposed by Board of Directors (within the permissible capital payment)	Rs. 702.00

- The aggregate shareholding of the Promoters and of the Directors of the Promoter where Promoter is a Company and of Persons who are in Control of the Company, and of Directors and Key Managerial Personnel of the Company as on the date of this Notice:

Shareholding of the promoters and promoter group of the Company:

Sr. No.	Name of Shareholder	No. of Equity Shares held	Percentage of issued Equity Share Capital
1.	Dinesh Apparao Bilgi	861671	21.77
2.	Bhavnaben Dineshbhai Bilgi	280020	7.07
3.	Chirag Dineshbhai Bilgi	256500	6.48
4.	Neel Dinesh Bilgi	253550	6.40
5.	Aashna Dinesh Bilgi	190000	4.80
6.	Dinesh Apparao Bilgi HUF	182200	4.60
7.	Manoj Uttam Shah	130900	3.31
8.	Kala Manoj Shah	119300	3.01
9.	Harkhchand Ravji Shah	100500	2.54
10.	Premal Vasant Shah	83700	2.11
11.	Hiren Vasant Shah	78800	1.99
12.	Laxman Chetandas Tilani	78500	1.98
13.	Meeta Laxman Tilani	64600	1.63
14.	Sushila Harakhchand Shah	35600	0.90
15.	Jayesh Laxman Tilani	35000	0.88
16.	Pragnesh Kantilal Shah	31100	0.79
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

Except as detailed below, none of the other Directors or Key Managerial Personnel of the Company holds any equity share in the Company;

Sr. No.	Name of Shareholder	Designation	No. of Equity Shares held	Percentage of issued Equity Share Capital
1.	Mr. Balkrishna Ishwarlal Makwana	Independent Director	10	Negligible
2.	Ms. Harsha Hemantkumar Parikh	Independent Director	10	Negligible
3.	Ms. Kairavi Neel Bilgi	Company Secretary & Compliance Officer	100	Negligible





- Aggregate number of equity shares purchased or sold by persons including persons mentioned in (h) above from a period of six months preceding the date of the Board Meeting at which the buyback was approved till the date of this notice:  
Except as given below no other equity shares of the Company were either purchased or sold by any of the persons mentioned as above during the period of six months preceding 6<sup>th</sup> August, 2024, being the date of the board meeting at which the Buyback was approved and the date of this Notice.

Name of Acquirer	Date of Acquisition	No of Equity Shares	Cost of Acquisition	Minimum Price	Maximum Price
NIL	NIL	NIL	NIL	NIL	NIL

- Intention of the Promoters and Persons in control of the Company to tender the shares for buyback indicating the number of shares, details of acquisition with dates and price:*

Members of the promoter and promoter group of the Company do intend to participate in the proposed Buyback as follows:

Sr. No.	Name of Shareholder	No. of Equity Shares held	No. of Equity Shares intended to tender
1.	Dinesh Apparao Bilgi	861671	861671
2.	Bhavnaben Dineshbhai Bilgi	280020	280020
3.	Chirag Dineshbhai Bilgi	256500	256500
4.	Neel Dinesh Bilgi	253550	253550
5.	Aashna Dinesh Bilgi	190000	190000
6.	Dinesh Apparao Bilgi HUF	182200	182200
7.	Manoj Uttam Shah	130900	130900
8.	Kala Manoj Shah	119300	119300
9.	Harkhchand Ravji Shah	100500	100500
10.	Premal Vasant Shah	83700	83700
11.	Hiren Vasant Shah	78800	78800
12.	Laxman Chetandas Tilani	78500	78500
13.	Meeta Laxman Tilani	64600	64600
14.	Sushila Harakhchand Shah	35600	35600
15.	Jayesh Laxman Tilani	35000	35000
16.	Pragnesh Kantilal Shah	31100	31100
17.	Akansha Laxman Tilani	7500	7500
18.	Chirag Dinesh Bilgi HUF	1300	1300
19.	Neel Dinesh Bilgi HUF	1300	1300
20.	Nirmala Lalchand Tilani	10	10

The date, price and other details of the Equity Shares held by the Promoters who are intending to tender their shares are as follows:

Sr. No.	Date of Acquisition	No. of Equity Shares	Face Value (in Rs.)	Cost of Acquisition per Share (in Rs.)	Nature of Transaction
Dinesh Apparao Bilgi					
1	01/04/2014	679710	10	N.A.	Opening Balance
2	23/06/2014	103100	10	N.A.	Inter-se Transfer
3	15/09/2016	(172750)	10	N.A.	Off-Market



Sr. No.	Date of Acquisition	No. of Equity Shares	Face Value (in Rs.)	Cost of Acquisition per Share (in Rs.)	Nature of Transaction
4	09/03/2018	(102000)	10	N.A.	Off-Market Gift
5	02/12/2021	11892	10	N.A.	Market Purchase
6	14/12/2022	188000	10	122.00(*)	Market Purchase
7	05/06/2023	126393	10	122.00(*)	Market Purchase
8	14/06/2023	27326	10	121.97(*)	Market Purchase
Total		861671	-	-	-
Bhavanaben Dineshbhai Bilgi					
1	01/04/2014	178020	10	N.A.	Opening Balance
4	09/03/2018	102000	10	N.A.	Off Market Gift
Total		280020	-	-	-
Chirag Dineshbhai Bilgi					
1	01/04/2014	166650	10	N.A.	Opening Balance
2	15/09/2016	86150	10	N.A.	Inter-se Transfer
3	30/03/2019	2950	10	N.A.	Off Market
4	05/03/2020	750	10	N.A.	Off Market
Total		256500	-	-	-
Neel Dinesh Bilgi					
1	01/04/2014	166200	10	N.A.	Opening Balance
2	15/09/2016	86600	10	N.A.	Inter-se Transfer
3	05/03/2020	750	10	N.A.	Off Market
Total		253550	-	-	-
Aashana Dinesh Bilgi					
1	01/04/2014	190000	10	N.A.	Opening Balance
Total		190000	-	-	-
Dinesh Apparao Bilgi (HUF)					
1	01/04/2014	182200	10	N.A.	Opening Balance
Total		182200	-	-	-
Manoj Uttam Shah					
1	01/04/2014	52500	10	N.A.	Opening Balance
2	21/03/2015	44500	10	N.A.	Inter-se Transfer



Sr. No.	Date of Acquisition	No. of Equity Shares	Face Value (in Rs.)	Cost of Acquisition per Share (in Rs.)	Nature of Transaction
3	Between 01/10/2015 to 31/12/2015	33900	10	N.A.	Not Available
Total		130900			
Kala Manoj Shah					
1	01/04/2014	89400	10	N.A.	Opening Balance
2	30/12/2015	29900	10	N.A.	Inter-se Transfer
Total		119300	-	-	-
Harkhchand Ravji Shah					
1	01/04/2014	100500	10	N.A.	Opening Balance
Total		100500			
Premal Vasant Shah					
1	01/04/2014	37500	10	N.A.	Opening Balance
2	31/01/2018	46200	10	N.A.	Inter-se Transfer
Total		83700	-	-	-
Hiren Vasant Shah					
1	01/04/2014	32800	10	N.A.	Opening Balance
2	31/01/2018	46000	10	N.A.	Inter-se Transfer
Total		78800	-	-	-
Laxman Chetandas Tilani					
1	01/04/2014	78500	10	N.A.	Opening Balance
Total		78500	-	-	-
Meeta Laxman Tilani					
1	01/04/2014	64600	10	N.A.	Opening Balance
Total		64600	-	-	-
Sushila Harakhchand Shah					
1	01/04/2014	35500	10	N.A.	Opening Balance
2	Between 01/10/2015 to 31/12/2015	100	10	N.A.	Not Available
Total		35600	-	-	-



Sr. No.	Date of Acquisition	No. of Equity Shares	Face Value (in Rs.)	Cost of Acquisition per Share (in Rs.)	Nature of Transaction
<b>Jayesh Laxman Tilani</b>					
1	01/04/2014	35000	10	N.A.	Opening Balance
Total		35000	-	-	-
<b>Pragnesh Kantilal Shah</b>					
1	01/04/2014	31100	10	N.A.	Opening Balance
Total		31100	-	-	-
<b>Akansha Laxman Tilani</b>					
1	01/04/2014	7500	10	N.A.	Opening Balance
Total		7500	-	-	-
<b>Chirag Dinesh Bilgi (HUF)</b>					
1	01/04/2014	700	10	N.A.	Opening Balance
2	11/12/2018	400	10	N.A.	Off Market
3	12/03/2019	200	10	N.A.	Off Market
Total		1300	-	-	-
<b>Neel Dinesh Bilgi (HUF)</b>					
1	01/04/2014	700	10	N.A.	Opening Balance
2	11/12/2018	400	10	N.A.	Off Market
3	12/03/2019	200	10	N.A.	Off Market
Total		1300	-	-	-
<b>Nirmala Lalchand Tilani</b>					
1	01/04/2014	56300	10	N.A.	Opening Balance
2	Between 01/10/2014 to 31/12/2014	(1000)	10	N.A.	Market Sell
3	Between 01/01/2015 to 31/03/2015	(15501)	10	N.A.	Market Sell
4	Between 01/04/2015 to 30/06/2015	(777)	10	N.A.	Market Sell
5	Between 01/07/2015 to 30/09/2015	(3501)	10	N.A.	Market Sell
6	28/01/2016	(35000)	10	N.A.	Off Market



Sr. No.	Date of Acquisition	No. of Equity Shares	Face Value (in Rs.)	Cost of Acquisition per Share (in Rs.)	Nature of Transaction
7	Between 01/07/2017 to 30/09/2017	(60)	10	N.A.	Market Sell
8	Between 01/07/2018 to 30/09/2018	(450)	10	N.A.	Market Sell
9	Between 01/04/2022 to 30/06/2022	(1)	10	N.A.	Market Sell
<b>Total</b>		<b>10</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Note:**

1. Wherever prices are mentioned same are excluding transaction costs like brokerage, STT, stamp duty, etc.
  2. The Company has taken 31.03.2014 as the cut-off date for providing data of date and cost of acquisition by the Promoters and Promoter Group.
  3. N.A. – Not Available
- **Confirmations from the Company as per the provisions of Buyback Regulations and the Act:**
    - i. The Company shall not issue any equity shares or other securities (including by way of bonus) till the expiry of Buyback period.
    - ii. The Company shall not raise further capital for a period of one year from the closure of the Buyback offer, except in discharge of subsisting obligations.
    - iii. The Company shall not withdraw the Buyback after the draft letter of offer is filed with SEBI or the public announcement of the offer to buyback is made.
    - iv. The Company shall not buy back locked-in shares and non-transferable shares or other specified securities till the pendency of the lock-in or till the shares or other specified securities become transferable.
    - v. The Company confirms that no defaults have been made by Company in the repayment of deposits accepted either before or after the commencement of the Companies Act, 2013 interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company.
    - vi. The Company confirms that as required under Section 68(2)(d) of the Companies Act, 2013 the ratio of the aggregate of secured and unsecured debts owed by the Company will be not more than twice the paid-up capital and free reserves after the Buyback.
    - vii. There is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act, as on date;
    - viii. The Company, as per the provisions of Section 68(8) of the Companies Act, will not issue same kind of shares or other securities including allotment of new shares under clause (a) of sub-section (1) of Section 62 or other specified securities within a period of 6 months after the completion of the Buy-back except by way of bonus issue or in the discharge of subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into Equity Shares;



- ix. The Company shall not buy-back its Equity Shares so as to delist its Equity Shares from the stock exchanges; - The Company shall not buy-back out of the proceeds of an earlier issue of the same kind of shares or same kind of other specified securities;
- x. That the Company has been in compliance with Sections 92, 123, 127 and 129 of the Companies Act;
- xi. The funds borrowed, if any, from banks and financial institutions will not be used for purpose of the Buy-back.
- xii. The Company shall not directly or indirectly purchase its Equity Shares through any subsidiary company including its own subsidiary companies or through any investment company or group of investment companies;
- xiii. The Company shall not buyback its Equity Shares from any person through negotiated deal whether on or off the stock exchanges or through spot transactions or through any private arrangement in the implementation of the Buy-back;
- xiv. The Company shall not make any offer of buyback within a period of one year reckoned from the date of expiry of buyback period of the preceding offer of buyback, if any, unless permitted under the SEBI Regulations.
- xv. The Company shall transfer from its free reserves and securities premium a sum equal to the nominal value of the Equity shares purchased through the Buy-back to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent audited financial statements; and
- xvi. All the Equity Shares of the Company are fully paid-up;

• **Confirmations from the Board of Directors:**

The Board of Directors of the Company has confirmed that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion that:

- i. immediately following the date of the Board Meeting and the date on which the results of the EGM will be declared, there will be no grounds on which the Company could be found unable to pay its debts;
- ii. as regards the Company's prospects for the year immediately following the date of the Board Meeting as well as for the year immediately following the date on which the results of the EGM will be declared approving the Buyback and having regard to the Board's intention with respect to the management of Company's business during that year and to the amount and character of the financial resources which will in the Board's view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from that date of the Board Meeting and the date on which the results of the EGM will be declared; and
- iii. in forming an opinion as aforesaid, the Board has taken into account the liabilities, as if the Company were being wound up under the provisions of the Companies Act, 1956 (to the extent applicable) and Companies Act, 2013 (to the extent notified), as the case may be, including prospective and contingent liabilities.

• **Report addressed to the Board of Directors by the Company's Auditors on the permissible capital payment:**

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")

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1. This Report is issued in accordance with the terms of our engagement letter dated 6th August 2024.
2. 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.
3. 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

4. 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

5. Pursuant to the requirements of the Buy-back Regulations, it is our responsibility to provide reasonable assurance whether:
  - (i) 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;
  - (ii) 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



- (iii) 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.
6. 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.
7. 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.
8. 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





10. 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.
11. 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)

Date : 06/08/2024  
Place : Ahmedabad

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.

(₹ in Lakh)

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.

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

Pursuant to the applicable provisions of the Act and the Buyback Regulations, the Board recommends passing of the Special Resolution as set out in Item No. 1 of the accompanying Notice.

None of the Directors or any Key Managerial Personnel of the Company is, in any way, concerned or interested, either directly or indirectly in passing of the said resolution, save and except to the extent of their respective interest as shareholders of the Company.

Place: Chhatral

Date: 6<sup>th</sup> August, 2024

By order of the Board

For Arex Industries Limited

Sd/-

Dinesh Bilgi

(DIN: 00096099)

Managing Director cum CFO