



(CIN): L17110GJ1988PLC010504



ANNUAL REPORT 2024-2025

 www.aarveedenims.com
 info@aarveedenims.com

CRAFTING TIMELESS DENIM
Stitching Stories of Style and Strength.

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FROM

**LOCAL
LABELS
TO
GLOBAL
BRANDS**

WE DELIVER
QUALITY | CONSISTENCY | SCALE

CHAIRMAN'S REFLECTIONS

*Dear Valued
Shareholders,*



I am pleased to present to you the performance highlights of your company for the financial year ended March 31, 2025. It has been a remarkable year for your company, marked by significant improvements in our financial performance and strategic developments that will shape our future growth.

FINANCIAL PERFORMANCE

Our revenue for the year stood at Rs. 18,235.87 lakhs, a substantial increase from Rs. 9,133.17 lakhs in the previous financial year. More importantly, we have achieved a net profit of Rs. 1,854.39 lakhs, a significant turnaround from a net loss of Rs. 4,461.64 lakhs in the previous year. This achievement is a testament to the hard work and dedication of our team and the support of our stakeholders.

STRATEGIC DEVELOPMENTS

During the year, your Company has executed the Share Purchase Agreement on 5th September, 2024 with Mr. Jaimin Kailash Gupta ("Acquirer") alongwith Mr. Tarachand Gangasahay Agrawal ("PAC 1") and Qmin Industries Limited ("PAC 2") for the Underlying transaction to acquire 1,42,66,303 equity shares (representing 60.81% of the equity share capital of the Company).

The Underlying Transaction contemplated under the SPA triggered an obligation on the Acquirer and PACs to make the Open Offer which was successfully completed, in full compliance with the timelines prescribed in the SEBI (SAST) Regulations.

Pursuant to the consummation of the Underlying transaction and the successful completion of the Open Offer process, there has been change in control of the Company. To add further, the Narol unit of the Company, equipped with facilities for yarn warping, sizing, dyeing, weaving, and finishing denim and non-denim fabrics, remains fully operational.

FUTURE OUTLOOK

Following our restructuring and the appointment of the new leadership team, we have aligned our focus on cost optimization, digital supply chain enhancements, and strategic sourcing partnerships. We are committed to bringing fresh resources into the system while leveraging the established goodwill of the Company. Our strategy includes expanding value-added non-denim fabrics and optimizing supply chains, with a focus on the domestic market, where demand remains robust.

ACKNOWLEDGMENTS

I would like to express my gratitude to our team, shareholders, and stakeholders for their support and trust in our company. I welcome Mr. Jaimin Kailash Gupta and the new management team and look forward to working together to achieve great things.

— Jaimin Gupta

SCALE & GROWTH IS THE ONLY WAY TO RUN A COMPANY.



JAIMIN KAILASH GUPTA **(MANAGING DIRECTOR)**

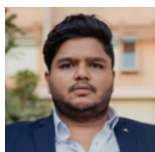
Jaimin Gupta is a visionary entrepreneur reshaping India's textile industry through strategic leadership and innovation. In 2015, he founded Stitched Textiles Limited (Barcelona), building it into a nationally recognized brand known for modern design and bold marketing, including collaborations with cricket legend Virender Sehwag and actor Sonu Sood. Strengthening his influence, he strategically acquired Yarn Syndicate Limited in 2022 and Aarvee Denims & Exports Ltd. in 2024. Combining vision with strategic execution, Jaimin Gupta creates long-term value across textiles, finance, and beyond — earning trust among industry leaders, investors, and entrepreneurs alike.

TARACHANDBHAI AGRAWAL **(WHOLE-TIME DIRECTOR)**

Mr. Tarachand Agrawal is a seasoned professional with over 20 years of experience in the textile industry. His deep industry knowledge and hands on expertise span sourcing, manufacturing, and retail. Over the decades, he has played a pivotal role in driving operational efficiency and building strong vendor relationships, making him a respected figure in the Indian textile business landscape.



BOARD OF DIRECTORS



Mr. Jaimin Gupta

Managing Director

Visionary entrepreneur and founder of Stitched Textiles Ltd., driving growth through bold leadership and strategic acquisitions. Known for transforming India's textile industry with innovation, design, and high-profile collaborations.



Mr. Tarachand Agrawal

Whole-time Director

A seasoned textile professional with 20+ years of expertise across sourcing, manufacturing, and retail. Renowned for operational efficiency and building lasting vendor partnerships.



Mr. Kandarp

Independent Director

Practicing Chartered Accountant and certified Information Systems Auditor with 20 years' experience. Specializes in debt financing, investment planning, and governance advisory.



Mr. Ravi

Independent Director

Fellow Chartered Accountant with strong experience in taxation, compliance, and corporate finance. Provides tailored financial strategies to ensure growth and regulatory adherence.



Mr. Ankit

Independent Director

Chartered Accountant with 12+ years in finance, taxation, and corporate governance. Recognized speaker and advisor, contributing to strategic growth and compliance.



Ms. Aarti

Independent Director

A skilled Chartered Accountant with vast financial expertise. Contributes to fiscal transparency, strategic planning, and sustainable company growth.



Mr. Nipun Arora

Director

Experienced leader overseeing company administration and organizational management. Plays a key role in streamlining operations and driving productivity.





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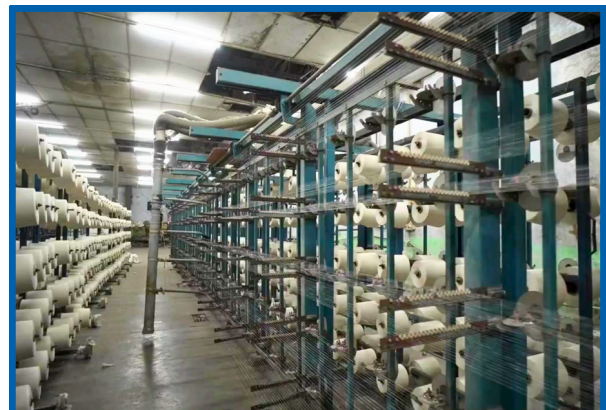
ABOUT US

Aarvee Denims & Exports Ltd. is a prominent player in the global textile industry, with a rich legacy spanning over three decades since its establishment in 1988. Following its acquisition by Jaimin Gupta in September 2024, the company is now operating under new, forward-thinking leadership. With a strong focus on quality, innovation, and reliability, Aarvee Denims has established itself as a trusted partner for global fashion and apparel brands.

The company operates a fully integrated manufacturing setup, spanning over 52,000 square yards, which provides end-to-end production capabilities from yarn to finished fabric. Aarvee Denims boasts four advanced manufacturing units in Ahmedabad, Gujarat, which are equipped with the latest technology for dyeing, weaving, and finishing. The company has a production capacity of 35 million meters of denim fabric and 12 million meters of non-denim bottom wear fabric annually. This combination of scale, sustainability, and experience enables the brand to deliver world-class textile solutions to markets around the world.



SPREAD ACROSS 52,000 SQ. YARDS



INTEGRATED FACILITY WITH YARN TO FABRIC PRODUCTION



JOURNEY

1988

Foundation

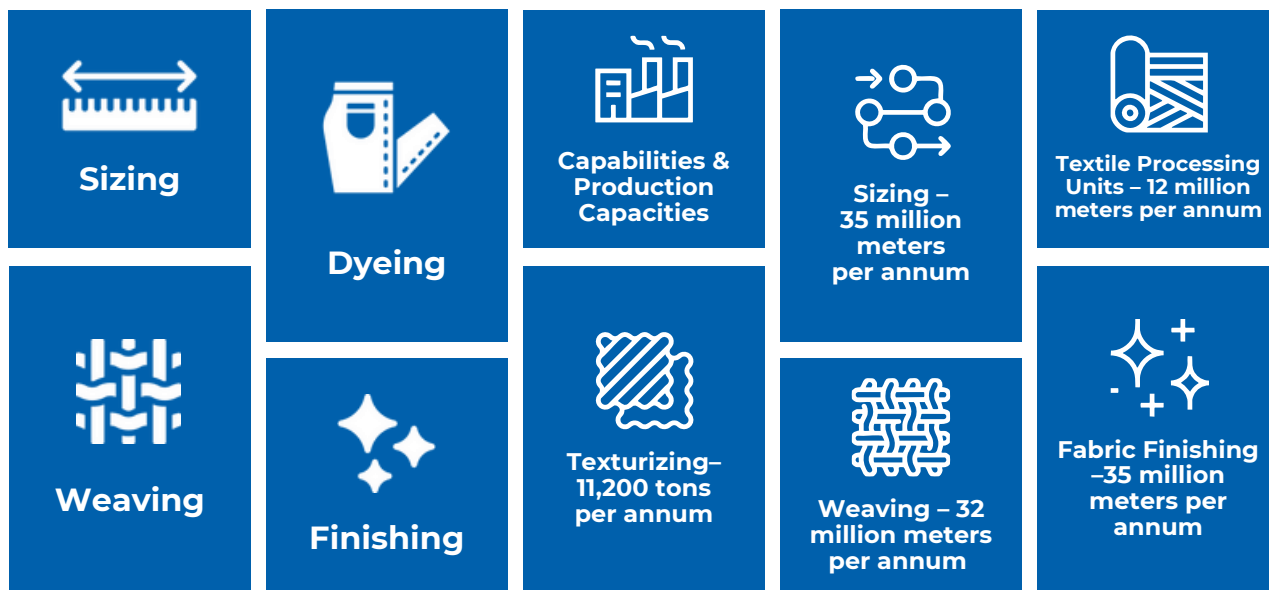
Established as a fabric manufacturing unit with a vision for quality and innovation.

2024

Reimagined

Under the leadership of Jaimin Gupta, evolving into a globally recognized textile powerhouse.

MANUFACTURING



CAPABILITIES

- At Aarvee Denims & Exports Ltd, our in-house sizing, weaving, dyeing, and finishing units are equipped with top-tier machinery and advanced technologies—ensuring stringent, start- to-finish quality control throughout the production cycle.
- Our vertically integrated, flexible, and responsive setup allows us to adapt quickly to market demands, enabling faster turnaround times and the ability to deliver diverse designs and weaves that meet global quality standards.

EXCELLENCE

- Aarvee Denims & Exports Ltd (ADEL) has been a trusted name in the denim industry since its inception in 1988, leveraging over 50 years of textile expertise.
- With end-to-end manufacturing capabilities and a commitment to quality, ADEL has evolved into one of the world's largest vertically integrated denim mills, delivering high-quality denim, non-denim bottom-weight fabrics, and apparel to global markets.



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PRODUCTS



Basic Indigo
Blue Denims



Ring
Denims



Shirting
Denims



Printed
Denims



Stretch
Denims



Satin
Denim



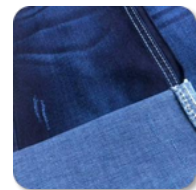
High Fashion
Denim



Flat Finish
Denim



LYCRA dualFX
Technology



Non-Denim
Fabrics



Cotton
Fiber



Poplin
Fabrics



Suiting
Fabrics



Other
Denims



Cotton
Yarn

OUR VISION & MISSION



OUR VISION

To be a progressive leader and one of the top-ranking textile conglomerates, driven by global expertise, integrated operations, and a commitment to excellence.

OUR MISSION

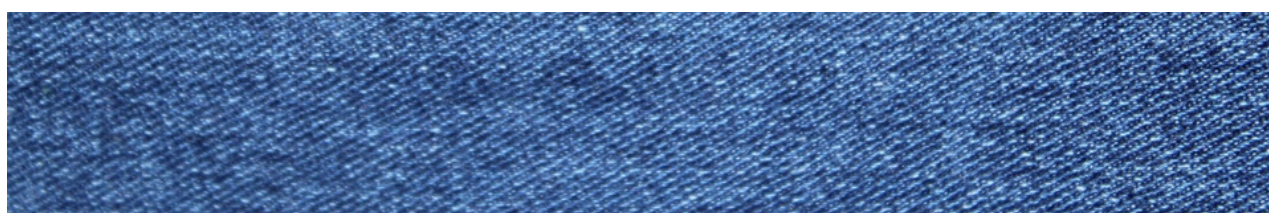
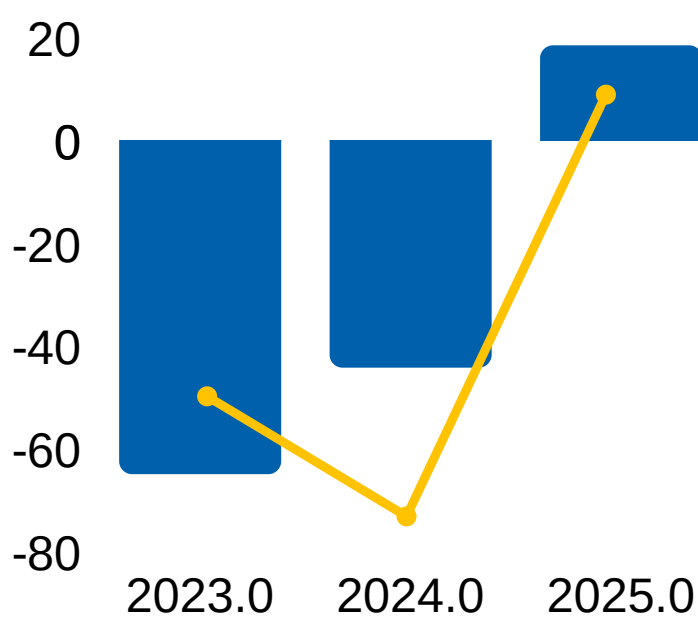
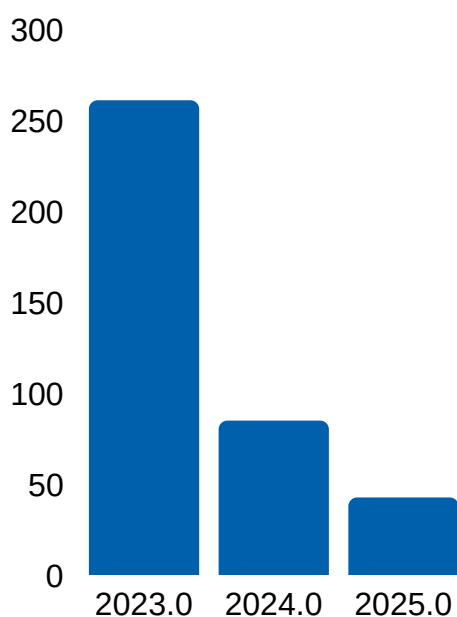
To deliver high-quality textile solutions through a practical and organised approach, while expanding our global footprint and targeting annual revenues of USD 800 million by the end of the 2026 financial year.



FINANCIAL HIGHLIGHTS

KEY FINANCIAL HIGHLIGHT

Financial Year	Revenue from Operations	PAT (Rs.)	PAT Margin
2022-23	260.90	(64.93)	(24.89 %)
2023-24	84.73	(44.20)	(52.17 %)
2024-25	42.45	18.54	43.67%



ECONOMIC & INDUSTRY OVERVIEW

1. ECONOMIC OVERVIEW

A. GLOBAL ECONOMY

The global economic landscape in 2024 was characterized by a combination of resilience and persistent challenges. Despite navigating a complex environment of geopolitical tensions, supply chain disruptions, and trade disputes, the global economy achieved a solid 3.3% expansion. This growth was not uniform, with advanced economies experiencing a moderation while emerging markets, particularly in Asia, maintained a more robust growth trajectory. Key among the persistent difficulties were ongoing geopolitical tensions, including the conflict in Ukraine and disruptions impacting shipping in the Red Sea. Additionally, complications in international supply chains and trade disputes between major economies presented continued challenges.

A positive trend was the easing of global inflationary pressures. The estimated inflation rate for 2024 was projected at 5.7%, a notable decrease from 6.7% in the previous year. Developed economies are on a path to reach their inflation targets sooner, while emerging markets are experiencing a more gradual decline. In response to these economic pressures, leading central banks have adopted varied monetary policies. Some have begun to ease interest rates to stimulate economic activity, while others have maintained a restrictive stance to curb persistent inflation. Looking ahead, the global economy is anticipated to maintain a steady expansion path, with projected growth rates of 2.8% in 2025 and 3.0% in 2026. However, recent extensive United States tariffs have driven global rates to historic highs, creating significant uncertainty and risking a near-term slowdown. Global inflation is also expected to maintain its downward momentum, from 4.3% in 2025 to 3.6% in 2026.



**INDIA'S RESILIENT
GROWTH, POWERED
BY REFORMS AND
INNOVATION,
POSITIONS IT AS A
LEADING DRIVER OF
THE GLOBAL
ECONOMY.**



B. INDIAN ECONOMY

The Indian economy showcased remarkable resilience and robust growth in FY 2024-25, positioning itself as a key driver of global economic expansion. India's real Gross Domestic Product (GDP) recorded a growth of 6.5%, underpinned by solid fundamentals and a steadfast focus on sustainability and innovation. This growth was fueled by strong private consumption, government spending, and increased capital formation. The government's initiatives, including the "Make in India" campaign and significant infrastructure investments, have created a conducive environment for manufacturing and industrial growth.

Retail inflation in India has shown signs of moderation, easing to 4.9% during the April-December 2024 period, signaling improved price stability. India's external sector also remained resilient, with a notable growth in merchandise exports. The Union Budget for FY 2025-26 introduces a range of bold reforms and targeted initiatives aimed at strengthening the country's textile sector, MSMEs, and agriculture. The government's continued focus on structural reforms, coupled with a favourable demographic dividend, is expected to support a sustained growth trajectory. The Reserve Bank of India (RBI) forecasts a 6.5% GDP growth for FY 2025-26, supported by an expanding manufacturing base and ongoing reforms.



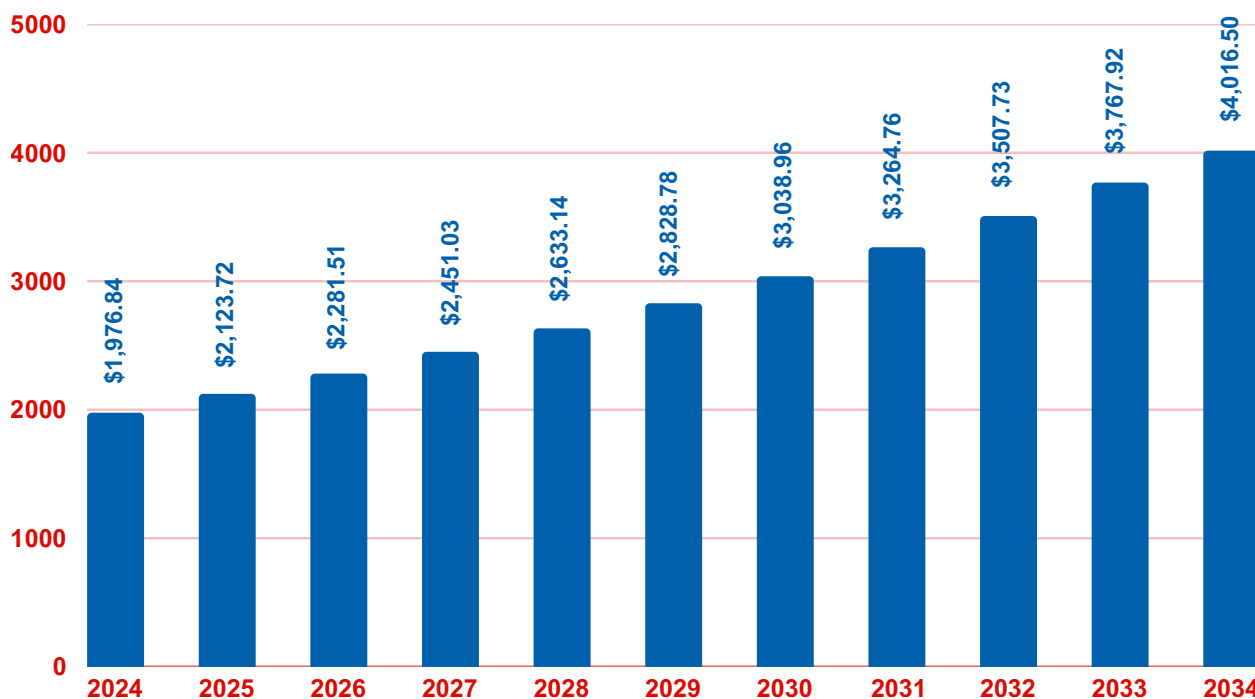
2. INDUSTRY OVERVIEW

A. GLOBAL AND INDIAN TEXTILE INDUSTRY

The global textile industry, a cornerstone of economic development, is undergoing a profound transformation driven by technological innovation and evolving consumer preferences. The market was valued at USD 1,976.84 billion in 2024 and is projected to reach approximately USD 4,016.50 billion by 2034, expanding at a CAGR of 7.35% from 2025 to 2034. Asia-Pacific dominates this market, with key players like China, Bangladesh, and India leading production and consumption.

The Indian textile industry is a major pillar of the country's economy, providing employment to over 45 million people and contributing approximately 2.5% to the national GDP. As the second-largest textile producer globally, India is poised for robust growth, with its market size expected to double to USD 350 billion by 2030. This growth is propelled by government initiatives such as the Production Linked Incentive (PLI) scheme and the establishment of PM MITRA Parks, which aim to create world-class manufacturing ecosystems. The industry is also benefiting from a favourable demographic profile, rising domestic consumption, and increasing demand for Indian textiles on the global stage.

Textile Market Size 2024 to 2034 (USD Billion)



However, the industry faces challenges, including fluctuating raw material costs, supply chain inefficiencies, and the need for greater sustainability. To remain competitive, Indian manufacturers are investing in modernization, automation, and sustainable production practices to improve efficiency and reduce their environmental footprint.

B. DENIM INDUSTRY

The global denim industry, a significant component of the broader textile sector, is experiencing steady growth driven by its enduring appeal and versatility. The market, valued at USD 86.66 billion in 2024, is projected to grow to USD 119.9 billion by 2030, with a CAGR of 5.9%. The industry is seeing a shift in consumer preferences towards casual wear, pushing demand for different denim styles, from classic fits to baggy and stretch varieties. The rise of e-commerce has also played a crucial role in expanding the reach of denim brands globally.

The Indian denim market, valued at USD 1.14 billion in 2024, is expected to grow to USD 1.83 billion by 2033. This growth is driven by the country's large youth population, increasing fashion consciousness, and the shift from traditional clothing to Western wear. India has emerged as a major hub for both domestic consumption and exports. Manufacturers are increasingly focused on product innovation, offering a wide range of denim fabrics with various washes, finishes, and blends to cater to evolving fashion trends. Sustainability is a key driver in this sector, with companies investing in water-efficient dyeing technologies, organic cotton, and recycled materials to meet the rising demand for eco-friendly products.



3. STRATEGIC DIRECTION AND FUTURE OUTLOOK

Our strategic vision is to cement Aarvee Denims as a global leader in the textile industry through a concerted focus on four key pillars: operational excellence, strategic market expansion, technological innovation, and sustainable practices.

We are committed to a future-ready diversification of our product portfolio to capture new market segments and reinforce our position as a leader in the denim industry. This includes investing in research and development to create new blends, finishes, and smart textiles that meet the evolving demands of our global clientele. Our focus on digital transformation will streamline our operations, from supply chain management to customer engagement, enabling greater efficiency and responsiveness.

36TH ANNUAL REPORT 2024-25

Corporate Identification Number(CIN):L17110GJ1988PLC010504

BOARD OF DIRECTORS

MR. JAIMIN KAILASH GUPTA	Chairman & Managing Director
MR. TARACHAND GANGASAHAY AGRAWAL	Whole Time Director
MR. NIPUN V. ARORA	Non-Executive Director(w.e.f. 5 th July, 2025)
MR. KANDARPG.TRIVEDI	Independent Director
MR. ANKIT N. MITTAL	Independent Director
MS. AARTI THAKKAR	Independent Director
MR. RAVI JITENDRA MODI	Independent Director(Appointed w.ef 15 th July, 2025)

SENIOR EXECUTIVES

Mr.Jignesh M Parmar	CFO
Mrs. Abira Mansuri	Company Secretary

BANKERS

Bank of Baroda
ICICI Bank Limited

AUDITORS

Pankaj R Shah & Associates
CS Tapan Shah, Practising, SecretarialAuditors
,Company Secretary

Statutory Auditors
Secretarial Auditors

REGISTERED OFFICE & MILLS:

UNIT I

188/2, Ranipur Village,
Church, Narol,
Ahmedabad 382 405

UNIT- III

191, Moje Shahwadi,
Opp. CNI Narol-
Sarkhej Highway,
Ahmedabad – 382 405.

SHARE TRANSFER AGENT

MUFG Intime IndiaPvt. Ltd.
5th floor, 506 to 508 Amarnath
BusinessCentre - I (ABC - I), Beside Gala
Business Centre, Nr. St. Xavier'sCollege
Corner, Off C G Road, Navarangpura,
Ahmedabad, Gujarat, 380009

36TH ANNUAL GENERAL MEETING

TUESDAY, 30th September
2025

TIME : 1:30 P.M.

EMAIL:

ahmedabad@linkintime.co.in

VENUE : PHYSICALLY AT
REGISTERED OFFICE AND
THROUGH VIDEO
CONFERENCING MODE
(VC)/OTHER AUDIO VISUAL

NOTICE OF 36th ANNUAL GENERAL MEETING

Notice is hereby given that 36th Annual General Meeting ("AGM") of the Members of Aarvee Denims and Exports Limited (the "Company") will be held on Tuesday, September 30, 2025 at 1:30 P.M. IST at the Registered Office of the Company at 188/2, Ranipur Village, Opp. CNI Church, Narol, Ahmedabad – 382 405, Gujarat, India, through physical mode and Video Conferencing ("VC") facility / Other Audio Visual Means ("OAVM") at the Members' convenience to consider and transact the following businesses:

ORDINARY BUSINESSES: -

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March 2025 including Audited Balance Sheet as at 31st March 2025, Statement of Profit & Loss and Cash Flow statement for the year ended on that date and the report of the Auditors and Directors' thereon.
2. To appoint a Director in place of Mr. Nipun Vinodkumar Arora, Non-Executive Director (DIN: 00989835) who retires by rotation and being eligible, offers himself for reappointment;

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

"RESOLVED THAT pursuant to the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made thereunder, Mr. Nipun Vinodkumar Arora, Non Executive Director (DIN: 00989835), who retires by rotation at this meeting, being eligible for reappointment, has confirmed his eligibility and willingness to accept the office, be and is hereby reappointed as the Non-Executive Director of the Company to hold office based on his terms of appointment."

SPECIAL BUSINESS:

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution.

ITEM NO 3: TO CONSIDER AND APPROVE THE CHANGE IN OBJECT CLAUSE OF MEMORANDUM OF ASSOCIATION OF THE COMPANY:

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

"RESOLVED THAT object clause III(A) of the Memorandum of Association of the Company be altered by inserting the following clause immediately after existing sub-clause III(A)(1):

2. To carry on the business of acting as advisors, commission agents and consultants on all matters relating to textile industries as well as in all fields, including but not limited to, legal, industrial, business management, organization management, financial, cost

accounting, recruitment personnel management, marketing, civil, administration and to provide consultancy services related to communications and networking, data formats, desktop publishing, education, hardware, internet, multimedia, programming languages, security, software, technical support, etc.

3. To develop, generate, and harness renewable energy sources, including solar, wind, hydro, geothermal, and biomass energy, to design, manufacture, install, and maintain renewable energy systems, and provide consultancy services for feasibility studies, project planning, and implementation and to promote sustainable energy practices, reduce carbon footprint, and engage in research and development activities related to renewable energy technologies."
4. To develop, construct, maintain, and operate infrastructure projects, including roads, highways, bridges, buildings, and urban infrastructure. To provide engineering, procurement, and construction services, and invest in and manage infrastructure assets. To offer consultancy services for feasibility studies, project planning, and implementation, and engage in construction and engineering activities."

"RESOLVED FURTHER THAT the Memorandum of Association incorporating the aforesaid alterations/additions as placed before the Meeting be and is hereby approved."

RESOLVED FURTHER THAT any Director of the Company and the Company Secretary and Compliance officer be and are hereby severally authorized to make an application to MCA and to prepare, file and submit necessary e-Forms, applications, documents, declaration, undertaking and such other documents as may be required for change of name of the Company and to issue a certified true copy of this Resolution to all concerned authorities and to do all such acts, deeds and things and take such actions as may be required to give effect to above resolution."

ITEM No.4: TO ALTER MEMORANDUM OF ASSOCIATION OF THE COMPANY AS PER COMPANIES ACT, 2013:

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

"RESOLVED THAT pursuant to the provisions of Section 4 and 13 of the Companies Act, 2013 ("the Act") read with the Companies (Incorporation) Rules, 2014 and all other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), subject to the approval of the Registrar of Companies, Ahmedabad – 380013, Gujarat, the consent of the Members of the Company be and is hereby accorded to alter the Memorandum of Association of the Company as follows:

(i) The style of clause numbers of the Memorandum of Association be changed from Roman numeric to English numeric like **1st, 2nd, 3rd etc.;**

(ii) Clause III(A) of the Objects clause of the Memorandum of Association of the Company be titled as **"3(a) - The Objects to be pursued by the Company on its incorporation are";**

(iii) Clause III(B) of the Objects clause of the Memorandum of Association of the Company be titled as **"3(b) - Matters which are necessary for furtherance of the Objects specified in Clause 3(a)";**

(d) Delete the entire other objects Clause III(C); and

(e) The existing liability clause be substituted in line of new clause provided as per Companies Act, 2013 **"4th. The liability of the member(s) is limited and this liability is limited to the amount unpaid, if any, on the shares held by them."**

"RESOLVED FURTHER THAT New Memorandum of Association duly initialed by the Chairman for the purpose of identification, be and is hereby approved and adopted as the Memorandum of Association of the Company in substitution of and to the exclusion of the existing Memorandum of Association of the Company."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds and things as may be required for giving effect to this Resolution and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution."

ITEM NO 5: APPROVAL OF MATERIAL RELATED PARTY TRANSACTION WITH 'YARN SYNDICATE LIMITED'.

To consider, and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 read with the rules framed thereunder (including any statutory amendment(s) or re-enactment(s) thereof, for the time being in force, if any), and in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time and pursuant to the recommendation of the Audit Committee and Board of Directors of the Company and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company ("Board"), to enter/continue to enter into Material Related Party Transaction(s)/Contract(s)/ Arrangement(s)/Agreement(s) (whether by way of an individual transaction or transaction taken together or series of transactions or otherwise), with **YARN SYNDICATE LIMITED'**, a related party of the Company, as per the details set out in the explanatory statement annexed to this notice notwithstanding the fact that the aggregate value of all these transaction(s), whether undertaken directly by the Company may exceed the prescribed thresholds as per provisions of the SEBI Listing Regulations as applicable from time to time, provided, however, that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out at an arm's length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board be and is hereby severally authorised to execute all such agreements, documents, instruments and writings as deemed necessary, with power to alter and vary the terms and conditions of such contracts / arrangements / transactions, settle all questions, difficulties or doubts that may arise in this regard, to delegate all or any of the powers herein and to do all acts, deeds and things in this regard.”

ITEM NO 6: APPROVAL OF MATERIAL RELATED PARTY TRANSACTION WITH ‘STITCHED TEXTILES LIMITED’.

To consider, and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 2013 read with the rules framed thereunder (including any statutory amendment(s) or re-enactment(s) thereof, for the time being in force, if any), and in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time and pursuant to the recommendation of the Audit Committee and Board of Directors of the Company and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (“Board”), to enter/continue to enter into Material Related Party Transaction(s)/Contract(s)/ Arrangement(s)/Agreement(s) (whether by way of an individual transaction or transaction taken together or series of transactions or otherwise), with ‘**STITCHED TEXTILES LIMITED**’, a related party of the Company, as per the details set out in the explanatory statement annexed to this notice notwithstanding the fact that the aggregate value of all these transaction(s), whether undertaken directly by the Company may exceed the prescribed thresholds as per provisions of the SEBI Listing Regulations as applicable from time to time, provided, however, that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out at an arm’s length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board be and is hereby severally authorised to execute all such agreements, documents, instruments and writings as deemed necessary, with power to alter and vary the terms and conditions of such contracts / arrangements / transactions, settle all questions, difficulties or doubts that may arise in this regard, to delegate all or any of the powers herein and to do all acts, deeds and things in this regard.”

ITEM NO 7: APPROVAL OF MATERIAL RELATED PARTY TRANSACTION WITH ‘QMIN INDUSTRIES LIMITED’.

To consider, and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 2013 read with the rules framed thereunder (including any statutory amendment(s) or re-enactment(s) thereof, for the

time being in force, if any), and in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time and pursuant to the recommendation of the Audit Committee and Board of Directors of the Company and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company ("Board"), to enter/continue to enter into Material Related Party Transaction(s)/Contract(s)/ Arrangement(s)/Agreement(s) (whether by way of an individual transaction or transaction taken together or series of transactions or otherwise), with '**QMIN INDUSTRIES LIMITED**', a related party of the Company, as per the details set out in the explanatory statement annexed to this notice notwithstanding the fact that the aggregate value of all these transaction(s), whether undertaken directly by the Company may exceed the prescribed thresholds as per provisions of the SEBI Listing Regulations as applicable from time to time, provided, however, that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out at an arm's length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board be and is hereby severally authorised to execute all such agreements, documents, instruments and writings as deemed necessary, with power to alter and vary the terms and conditions of such contracts / arrangements / transactions, settle all questions, difficulties or doubts that may arise in this regard, to delegate all or any of the powers herein and to do all acts, deeds and things in this regard."

ITEM NO 8: APPROVAL OF MATERIAL RELATED PARTY TRANSACTION WITH '7NR RETAIL LIMITED'.

To consider, and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 2013 read with the rules framed thereunder (including any statutory amendment(s) or re-enactment(s) thereof, for the time being in force, if any), and in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time and pursuant to the recommendation of the Audit Committee and Board of Directors of the Company and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company ("Board"), to enter/continue to enter into Material Related Party Transaction(s)/Contract(s)/ Arrangement(s)/Agreement(s) (whether by way of an individual transaction or transaction taken together or series of transactions or otherwise), with '**7NR RETAIL LIMITED**', a related party of the Company, as per the details set out in the explanatory statement annexed to this notice notwithstanding the fact that the aggregate value of all these transaction(s), whether undertaken directly by the Company may exceed the prescribed thresholds as per provisions of the SEBI Listing Regulations as applicable from time to time, provided, however, that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out at an arm's length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board be and is hereby severally authorised to execute all such agreements, documents, instruments and writings as deemed necessary, with power to alter and vary the terms and conditions of such contracts / arrangements / transactions, settle all questions, difficulties or doubts that may arise in this regard, to delegate all or any of the powers herein and to do all acts, deeds and things in this regard.”

ITEM NO 9: APPROVAL OF MATERIAL RELATED PARTY TRANSACTION WITH ‘BRAND CLUSTER LLP’

To consider, and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 read with the rules framed thereunder (including any statutory amendment(s) or re-enactment(s) thereof, for the time being in force, if any), and in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time and pursuant to the recommendation of the Audit Committee and Board of Directors of the Company and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (“Board”), to enter/continue to enter into Material Related Party Transaction(s)/Contract(s)/ Arrangement(s)/Agreement(s) (whether by way of an individual transaction or transaction taken together or series of transactions or otherwise), **with ‘Brand Cluster LLP’**, a related party of the Company, as per the details set out in the explanatory statement annexed to this notice notwithstanding the fact that the aggregate value of all these transaction(s), whether undertaken directly by the Company may exceed the prescribed thresholds as per provisions of the SEBI Listing Regulations as applicable from time to time, provided, however, that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out at an arm’s length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board be and is hereby severally authorised to execute all such agreements, documents, instruments and writings as deemed necessary, with power to alter and vary the terms and conditions of such contracts / arrangements / transactions, settle all questions, difficulties or doubts that may arise in this regard, to delegate all or any of the powers herein and to do all acts, deeds and things in this regard.”

ITEM NO 10: AUTHORITY TO AVAIL LOAN IN EXCESS OF THE LIMITS SPECIFIED IN SECTION 180(1)(c) OF THE COMPANIES ACT, 2013.

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

“RESOLVED THAT, in supersession of the resolution passed by shareholders of the Company and pursuant to Section 179, 180(1)(c) and other applicable provisions of the Companies Act, 2013 read

along with the Companies (Meetings of Board and its Powers) Rules, 2014 and such other rules, circular, notifications framed thereunder, as applicable; Foreign Exchange Management Act, 1999 including rules, regulations and circulars framed thereunder, as applicable; (including any statutory modification(s), amendment(s) or re-enactment thereof, for the time being in force) and Articles of Association of the Company, the approval of the Members of the Company be and is hereby accorded to borrow such sum or sums of money (including non fund based facilities) from time to time, at discretion, from bank(s), financial institution(s), any other lending institution(s) or any other person(s) on such security and on such terms and conditions as may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) including rupee equivalent of foreign currency loans (such rupee equivalent being calculated at the exchange rate prevailing as on the date of the relevant foreign currency agreement) may exceed, at any time, the aggregated of the paid-up capital of the Company and its free reserves, and securities premium, provided however, the total amount so borrowed in excess of the aggregate of the paid up capital of the Company its free reserves and securities premium shall not at any time exceed Rs.100/- Crores.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the board of Directors of the Company ("Board") and/or any person authorized by the Board from time to time, be and is hereby empowered and authorised to negotiate, finalise, sign and execute all such agreements, deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

ITEM NO. 11. TO MORTGAGE AND/OR CHARGE ALL OR ANY PART OF THE MOVABLE AND/OR IMMOVABLE PROPERTIES OF THE COMPANY AS SECURITY FOR BORROWING.

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

"RESOLVED THAT in supersession of the resolution passed by shareholders of the Company and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, the consent of the Company be and is hereby accorded to the Board of Directors of the Company ("the Board") to hypothecate/ mortgage and/or charge in addition to the hypothecations/mortgages and/or charges created by the Company, in such form and manner and with such ranking and at such time(s) and on such terms as the Board may determine, all or any part of the movable and/or immovable properties of the Company wherever situated, both present and future, and/or create a floating charge on all or any part of the immovable properties of the Company and the whole or any part of the undertaking(s) of the Company, together with power to take over the management of the business and concern of the Company, in certain events of default, in favour of the Company's Bankers/Financial Institutions/ other investing agencies and trustees for the holders of Debentures/Bonds/other instruments/securities to secure any Rupee/Foreign Currency Loans, Guarantee assistance, Standby Letter of Credit/Letter of Credit and/or any issue of Non – Convertible Debentures, and/or Compulsorily or Optionally, Fully or Partly Convertible Debentures and/or

Bonds, and/or any other Non - Convertible and/or other Partly/Fully Convertible instruments/securities, within the overall ceiling of Rs.100 crores prescribed by the members of the Company, in terms of Section 180(1)(c) of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board be and is hereby authorised to execute all such deeds, documents, instruments and writings, as may be necessary for creating the aforesaid hypothecations/mortgages and/or charges and to do all such acts, deeds, matters and things as may be necessary, desirable or expedient to give effect to the above resolution."

ITEM NO. 12. POWER TO GIVE LOANS OR INVEST FUNDS OF THE COMPANY IN EXCESS OF THE LIMITS SPECIFIED UNDER SECTION 185 AND 186 OF THE COMPANIES ACT, 2013.

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

"RESOLVED THAT pursuant to the provisions of the Section 185, 186 and other applicable provisions, if any, of the Companies Act, 2013, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called 'the Board' which term shall deemed to include any Committee which Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution) to (a) advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the director of the company is interested (b) give any loan to any person or other body corporate; (c) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (d) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, upto a maximum aggregate amount of Rs. 100 crores, outstanding at any point of time, over and above the permissible limits under Section 186(2) of the Companies Act, 2013 (presently being 60 percent of the Company's paid up capital, free reserves and securities premium account or one hundred percent of the Company's free reserves and securities premium account, whichever is more).

RESOLVED FURTHER THAT the Board be and is hereby authorised to take from time to time all decisions and steps in respect of the above loans, guarantees, securities and investment including the timing, amount and other terms and conditions of such loans, guarantees, securities and investment and varying the same either in part or in full as it may deem appropriate and to do and perform all such acts, deeds, matters and things as may be necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard including power to sub-delegate in order to give effect to this resolution.

ITEM NO 13. TO CONSIDER AND APPROVE THE APPOINTMENT OF SECRETARIAL AUDITORS OF THE COMPANY:

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

“RESOLVED THAT pursuant to the provisions of Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 204 of the Companies Act, 2013 and rules made thereunder, M/s Shah & Shah Associates, Company Secretaries (Unique Identification No.: P2000GJ013500), be and is hereby appointed as the Secretarial Auditor of the Company, to carry out Secretarial Audit for consecutive 5 years, i.e. from the FY2025-26 to FY2029-30, on such remuneration including out of pocket expenses and other expenses as may be mutually agreed by and between the Board of Directors and the Auditor.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to fix the annual remuneration plus applicable taxes and out-of-pocket expenses payable to them during their tenure as the Secretarial Auditors of the Company, as determined by the Audit Committee in consultation with the said Secretarial Auditors.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take such steps and do all such acts, deeds, matters, and things as may be considered necessary, proper, and expedient to give effect to this Resolution.”

ITEM NO. 14 - RATIFICATION OF REMUNERATION OF COST AUDITORS:

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

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. N. D. Birla & Co., Cost Accountants (Firm Registration Number - 000028), appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the Financial year ending 31st March, 2026, be paid the remuneration of Rs. 60,000/- (Rupees Sixty Thousand only/-) plus Goods and service tax (GST) and out of pocket expenses, if any, incurred during the course of above audit.”

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Key Managerial Personnel or any director of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as they may deem fit.”

Registered Office:
188/2, Ranipur Village, Opp. CNI Church,
Narol, Ahmedabad – 382 405, Gujarat, India

Place: Ahmedabad
Date: September 3, 2025

By Order of the Board of Directors
Sd/-
Jaimin Kailash Gupta
Chairman and Managing Director
[DIN: 06833388]

Notes

1. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (the 'Act'), with respect to the Special Business to be transacted at the Thirty-Sixth Annual General Meeting (the 'Meeting / AGM') is annexed hereto.

2. The AGM will be held in hybrid mode i.e., in addition to holding this meeting at its Registered Office, the AGM shall also be held in compliance with the applicable provisions of the Act and Rules made thereunder, read with General Circulars issued by the Ministry of Corporate Affairs ('MCA') having reference No. 14/2020, 17/2020, 20/2020, 02/2021, 02/2022, 10/2022, 09/2023 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, May 5, 2022, December 28, 2022, September 25, 2023, along with subsequent circulars issued in this regard, the latest being Circular No. 09/2024 dated September 19, 2024 (collectively referred to as 'MCA Circulars'), and the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Circulars issued by the SEBI having reference No. SEBI/HO/CFD/CMD1/CIR/P/2020/79, SEBI/HO/CFD/CMD2/CIR/P/2022/62, SEBI/HO/CFD/PoD-2/P/CIR/2023/4, SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated May 12, 2020, May 13, 2022, January 5, 2023, and October 7, 2023 respectively and the latest being Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 (collectively referred to as 'SEBI Circulars').

These MCA and SEBI Circulars have permitted the holding of AGM through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Act, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), and MCA and SEBI Circulars, the AGM of the Company is being held through VC/OAVM. In addition to this, the Members of the Company who wish to attend the meeting physically may do so as per the instructions provided separately in this Notice.

Pursuant to Secretarial Standards on General Meetings ('SS-2') as issued by the Institute of Company Secretaries of India, ('ICSI'), the route map for reaching the Meeting venue showing the prominent landmarks is given elsewhere in this Notice.

Further, the Company has uploaded the above route map on its website at <https://aarveedenims.com/investors>.

3. In terms of the provisions of Section 152 of the Act, Mr. Nipun Vinodkumar Arora (DIN: 00989835), retire by rotation at the Meeting and offers himself for re-appointment. The Board of Directors of the Company recommend his reappointment. Mr. Nipun Vinodkumar Arora is interested in the Ordinary Resolutions set out at Item No. 2, of the Notice with regard to his re-appointment. The other relatives of Mr. Nipun Vinodkumar Arora may be deemed to be interested in the resolutions set out at Item No. 2 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Business set out under Item No. 2 of the Notice.

4. The relevant details, pursuant to Regulations 36 of the SEBI Listing Regulations and SS-2 in respect of Directors seeking appointment / reappointment at this AGM are annexed.

5. For Members attending physically: A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DULY FILLED, STAMPED, SIGNED, AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

For Members attending through VC/OAVM: Since this AGM is being held also through VC / OAVM pursuant to the MCA and SEBI circulars, the facility for the appointment of proxies by the Members who will attend the meeting through these modes will not be available.

6. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10 (ten) percent of the total paid-up share capital of the Company carrying voting rights. A member holding more than 10 (ten) percent of the total paid-up share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other member.
 7. Corporate Members intending to send their authorised representative to attend the Meeting physically or through VC /OAVM are requested to send the Company a duly certified copy of the resolution of its Board of Directors or other governing body authorising their representative to attend and vote on their behalf at the Meeting.
 8. Members attending the meeting physically are requested to bring their attendance slip to the Meeting.
 9. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
 10. As a measure of austerity and green initiatives of the Company, copies of the Annual Report will not be distributed at the AGM.
 11. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting. Also, the electronic copy of the relevant documents referred to in the accompanying Notice and the Statement will be made available for inspection by the Members through e-mail. The Members are requested to send an email to cs@aarveedenims.com for the same.
 12. Electronic copies of 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 for inspection by the Members at the time of the Meeting.
 13. The Company has notified the closure of the Register of Members and Share Transfer Books from Saturday, September 27, 2025, to Monday, September 30, 2025 (both days inclusive) for the purpose of AGM
 14. In compliance with the aforesaid MCA and SEBI Circulars, Notice of the AGM along with the Annual Report FY 2024-25 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report FY 2024-25 will also be available on the Company's website at <https://aarveedenims.com/investors/> and on the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, on the website of NSDL at <https://www.evoting.nsdl.com>.
 15. As per Regulation 36(1)(b) of the SEBI Listing Regulations, a letter providing the weblink of the Annual Report for FY 2024-25, will be sent to those member(s) who have not registered their email address with the Company / Depositories/ Depository Participants / MUFG Intime India Private Limited [(Registrar and Share Transfer Agent of the Company formerly known as Link Intime India Private Limited) ('MUFG Intime')].
 16. Members attending the AGM physically and through VC/OAVM shall be counted together for the purpose of reckoning the quorum under Section 103 of the Act.
 17. Members holding shares in electronic form are requested to intimate any change in their address or bank mandates to their Depository Participants immediately with whom they are maintaining their Demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company /MUFG Intime.
- To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company / DP of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings

should be obtained from the concerned Depository Participant and holdings should be verified from time to time.

Mandatory updation of PAN, KYC, Nomination and Bank details by Members:

18. In terms of the Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 and SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated November 17, 2023, the SEBI has mandated the submission of a Permanent Account Number (PAN), Nomination, Contact details, Bank A/c details, and Specimen signature for their corresponding folio numbers by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN to the Company/MUFG Intime. The forms required for submitting the necessary details are available for download at <https://aarveedenims.com/investors>. The Non-Resident Indian Members are requested to inform their Depository Participant, immediately of:

- a. Change in their residential status on return to India for permanent settlement
- b. Particulars of their bank account maintained in India with complete bank name, branch, account type, account number, and address of the bank with a pin code number, if not furnished earlier.

19. As per Regulation 40 of the SEBI Listing Regulations, as amended from time to time, the transfer, transmission, and transposition of the securities of the listed entities shall be effected only in dematerialized form. In view of this and to eliminate all risks associated with physical shares along with the ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or MUFG Intime for assistance in this regard.

20. The SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P / CIR /2022 /8 dated January 25, 2022 has mandated listed companies to issue securities in dematerialized form only while processing service requests viz., Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal / exchange of securities certificate; endorsement; sub-division / splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. The Members holding shares in physical form are requested to furnish the relevant details in Form ISR-1 (updating KYC details), Form ISR-2 (signature-related confirmation), ISR-3 (opting out of nomination) ISR-4 (request for duplicate share certificate), along with Form SH-13 (nomination form), and SH-14 (cancellation/variation in nomination) in accordance with Section 72 of the Act as made available on the Company's website for the respective purpose at <https://aarveedenims.com/investors>.

Alternatively, members may send the above forms/documents by email to MUFG Intime at pune@in.mpms.mufig.com or upload on their web-portal at <https://web.in.mpms.mufig.com/KYC-downloads.html> will be considered by the Company. Hence, members holding shares in demat mode are requested to update their details with their Depository Participants at the earliest.

21. As per amended SEBI Listing Regulations, it has been mandated that the transfer of securities should be done in dematerialized form only. In view of the same and to eliminate all risks associated with physical shares and to avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form.

22. With a view to taking 'Green Initiative in Corporate Governance' by allowing paperless compliance by the companies, MCA has allowed companies to share documents with Members through electronic communication. It is a welcome move for society at large, as this will largely reduce paper consumption and allow the public at large to contribute towards a greener environment. This is a golden opportunity for every Member to support the initiative of MCA.

To support the initiative of MCA and in view of the Persistent Green Movement, the Company will henceforth send the documents to Members in electronic form, at the e-mail address provided by Members with their respective depositories.

In case, Members desire to have a different e-mail address to be registered, they may please update the same with their respective Depository Participant. Registering an e-mail address helps to receive communication promptly, reduce paper consumption and save trees, avoid loss of documents in postal transit and save costs on paper and postage. The Company also publishes a copy of its Annual Report and quarterly results on its website.

23. Members are requested to communicate matters relating to shares to the Company's Registrar and Share Transfer Agent at the following address:

MUFG Intime India Private Limited (Unit: Persistent Systems Limited)

CIN – U67190MH1999PTC118368

506 TO 508, Amarnath Business Centre – 1, Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off, Chimanlal Girdharlal Rd, Sardar Patel Nagar, Ellisbridge, Ahmedabad, Gujarat 380006 Tel.: +91 (20) 26161629

E-mail: ahmedabad@linkintime.co.in | Website: <https://in.mpms.mufg.com>

24. The Company has designated an exclusive email id viz., investors@persistent.com to enable Investors to register their grievances, if any. The Members may note that in case of any dispute against the Company and/or its Registrar and Share Transfer Agent, SEBI vide its Circular SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/14 dated 11 August 2023, has introduced Online Dispute Resolution (ODR), which is in addition to the existing SCORES 2.0 platform which can be utilised by the investors and the Company for dispute resolution. Please note that the investors can initiate dispute resolution through the ODR portal only after exhausting the option to resolve dispute with the Company and on the SCORES 2.0 platform.

The ODR portal can be accessed at <https://smartodr.in/login> and also on Company's Website at www.aarveedenims.com. For more details, the website links of the Stock Exchanges are given: <https://bsecrecs.bseindia.com/ecomplaint/frmlInvestorHome.aspx> and <https://www.nseindia.com/complaints/online-dispute-resolution>.

25. Information and other instructions relating to e-voting and joining the Meeting through VC/OAVM are as follows:

a. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on a first come first served basis. This will not include large Members (Members 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 and ESG Committee, Statutory Auditors and Secretarial Auditors, etc. who are allowed to attend the AGM without restrictions on account of first come first served basis.

b. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations (as amended), and the MCA Circulars the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a member using a remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.

c. In line with the MCA Circulars the Notice convening the AGM has been uploaded on the website of the Company at <https://aarveedenims.com/investors>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively, and the AGM Notice is also available on the website of NSDL i.e. evoting@nsdl.com

d. The Members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again. In case any Member casts his / her vote through voting to be conducted at the time of the Meeting in addition to remote e-voting, his / her voting through remote e-voting shall be considered as final, and a vote cast through voting at the time of the Meeting shall be considered as invalid.

e. The voting rights shall be reckoned on the number of shares registered in the name of the Member/Beneficial Owner (in case of electronic shareholding) as on the cut-off date i.e., Tuesday, September 23, 2025.

f. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as of the cut-off date i.e., Tuesday, September 23, 2025, only, shall be entitled to avail the facility of remote e-voting / venue voting and the e-voting during the AGM and thereafter within half hour after the end of the AGM.

g. The remote e-voting period commences on Saturday, September 27, 2025, at 9:00 A.M. and will end on Monday, September 29, 2025, at 5:00 P.M IST. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as of the cut-off date of Tuesday, September 23, 2025, may cast their vote by remote e-voting.

The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company as of the cut-off date.

h. The members who would like to express their views / ask questions at the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/Folio Number, PAN, Mobile Number at cs@aarveedenims.com till 1800 Hrs. (IST) Thursday, September 25, 2025. Those Members who have registered themselves as speakers will be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for this slot at the AGM.

i. The Board of Directors has appointed Mr. Tapan Shah, Practicing Company Secretary (ICSI membership number: FCS [4476], certificate of practice number: [2839], as the Scrutiniser to scrutinise the remote e-voting process in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for the same purpose. The Scrutiniser shall, immediately after the conclusion of venue voting at the AGM and voting within half hour after the end of the AGM, unblock the votes cast through remote-e-voting, venue e-voting, voting at the time of the AGM and issue, not later than 2 working days of the conclusion of the AGM, a consolidated Scrutiniser's Report of the total votes cast in favor or against, if any, to any of the Executive Directors of the Company, who shall countersign the same and declare the result of the voting forthwith.

j. The Results declared along with the report of the Scrutiniser shall be placed on the website of the Company (<https://aarveedenims.com/investors>) and on the website of NSDL www.evoting.nsdl.com immediately after the declaration of result to any of the Executive Directors of the Company. The results shall also be immediately submitted to the BSE Limited and National Stock Exchange of India where the shares of the Company are listed.

k. Any person holding shares in physical form and non-individual Members, who acquires shares of the Company and becomes a member of the Company after the Notice is sent through e-mail and holding shares as of the cut-off date i.e. Tuesday, September 23, 2025, may obtain the login ID and password by sending a request at evoting@nsdl.com or Issuer /RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using 'Forgot User Details /Password' or 'Physical User Reset Password' option available on evoting@nsdl.com or call at 022 - 4886 7000. In case of Individual Member holding securities in demat mode who acquire shares of the Company and become a Member of the Company after sending of the Notice and holding shares

as of the cut-off date i.e. Tuesday, September 23, 2025, may follow steps mentioned in the Notice of the AGM under 'Access to NSDL e-voting system' l. e-voting Event Number ('EVEN') of the Company is 137062.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:

In compliance with 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 the SEBI LODR Regulations, and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021, December 14, 2021, May 05, 2022, December 28, 2022, September 25, 2023 and September 19, 2025 in terms of SEBI vide Circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/133 dated October 03, 2025 and other circular issued, if any in relation to e-Voting facility provided by listed entities, the members are provided with the facility to cast their vote electronically, through the e-Voting services provided by NSDL, on all the resolutions set forth in this Notice.

The remote e-voting period begins on Saturday, September 27, 2025, at 9:00 A.M. and will end on Monday, September 29, 2025, at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. During this period, Members holding shares either in physical form or in dematerialized form, as on Tuesday, September 23, 2025 i.e. cut-off date, may cast their vote electronically. Those members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the resolutions through remote e- Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system during the AGM. Any recipient of the Notice, who has no voting rights as on cut-off date, shall treat this notice as information only. The voting rights of members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

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

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

Step 1: Access to NSDL e-Voting system

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

[In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.](#)

[Login method for Individual shareholders holding securities in demat mode is given below:](#)

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	- Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “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 i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period - If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp - Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. - Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.

Type of shareholders	Login Method
	NSDL Mobile App is available on  App Store  Google Play  
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting 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. 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. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.

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

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.	
How to Log-in to NSDL e-Voting website?	
1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. 2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. 3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. <i>Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL</i>	

eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

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

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

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

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
2. Select “EVEN: [137062]” of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.

2. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on : 022 - 4886 7000 and 022 - 2499 7000 or send a request at evoting@nsdl.com.

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

In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to ahmedabad@linkintime.com. Members may write to RTA of the Company on the email id ahmedabad@linkintime.com.

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to ahmedabad@linkintime.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to ahmedabad@linkintime.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. [Login method for e-Voting for Individual shareholders holding securities in demat mode](#).
3. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. [In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.](#)

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN (i.e. 137062) of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password

may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@aarveedenims.com. The same will be replied by the company suitably.
6. Members who would like to express their views/ask questions during the AGM may use chat facility to raise question to moderator. The moderator then will ask one by one questions during the meeting. Shareholders who would like to express their views/ ask questions during the meeting may register themselves as speaker shareholder will only be allowed to express their views/ ask questions during the meeting. Shareholders who would like to express their view/ ask question during the meeting may register themselves as speaker shareholders and may send their request mentioning name, mobile number, folio number, email id at cs@aarveedenims.com. Shareholders who have registered themselves as speaker shareholders will only be allowed to express their views/ask questions during the meeting.
7. The company reserves the right to restrict the number of questions and number of speakers as appropriate for the smooth proceeding of the AGM.
 - I. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of Tuesday, September 23, 2025.
 - II. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Tuesday, September 23, 2025 may obtain the login ID and password by sending a request at evoting@nsdl.com or RTA MUFG Intime India Private Limited at ahmedabad@linkintime.co.in. However, if he / she is already registered with NSDL for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.
 - III. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

- IV. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting. Only those members / shareholders, who will be present in the AGM through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM. Members who have voted through Remote e- Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM. shall be the same person mentioned for Remote e-Voting
- V. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- VI. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company <https://aarveedenims.com/investors>, [on the website of Stock Exchanges i.e. National Stock Exchange of India Limited www.nseindia.com and BSE Limited www.bseindia.com](#) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing.

Registered Office:
188/2, Ranipur Village, Opp. CNI Church,
Narol, Ahmedabad - 382 405, Gujarat,
India

Place : Ahmedabad
Date : September 03, 2025

By Order of the Board of Directors
Sd/-
Jaimin Kailash Gupta
Chairman and Managing Director
[DIN: 06833388]

Explanatory Statement — Pursuant to Section 102 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The following Explanatory Statement sets out the relevant information relating to Special Business Items no. 3 to 14 of the accompanying Notice.

Item No. 3 and 4:

The Companies Act, 2013, has prescribed a new format of Memorandum of Association (“MOA”) for public companies limited by shares as per Table A of the Schedule I of the Act. The existing Memorandum of Association (MOA) of the Company was based on the erstwhile Companies Act, 1956. Accordingly, the Alteration of MOA was necessary to bring the existing MOA in line with the new Companies Act, 2013 (the “new Act”), it is proposed to alter the MOA of the Company by merging the Objects under Clause III (C) – “Other Objects” with Clause III (B) – “Objects Incidental or Ancillary to the attainment of the Main Objects” and also to rename the Clause III (A) and III (B) of the Object Clause and numbering appropriately. This will result in the existing clause III (C) – Other objects of the Memorandum of Association of the Company to be deleted in its entirety.

Further, the management of the Company is changed w.e.f. July 05, 2025 and new management has broad vision and strategy for the company and they wish to expand into new markets and industries, necessitating a change in objects to reflect this new focus.

The Board has to consider from time-to-time proposals for business areas which would be profitable for the Company and at its meeting held on September 03, 2025 has approved alteration of the MOA of the Company. The Board now seek Members' approval for the same.

The draft Copy of the Memorandum of Association of the Company is available for inspection at the registered office of the Company on any working day during Business Hours till the date of AGM. The Amendment shall be effective upon the registration of the Resolution with the Registrar of the Companies.

The proposed change of object clause requires the approval of shareholders through Special Resolution pursuant to the provisions of Section 13 of the Companies Act, 2013.

None of the Directors, Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise except to the extent of their shareholding in the Company, if any, in the Special Resolution as set out at Resolution No.3 and 4 of this Notice

ITEM NO. 5, 6, 7, 8 and 9

The provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) mandates prior approval of members by means of an ordinary resolution for all material related party transactions and subsequent material modifications as defined by the audit committee, even if such transactions are in the ordinary course of business of the concerned company and at arm's length basis. Effective from April 1, 2022, a transaction with a related

party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds rupees one thousand crore or ten per cent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.

The Company proposes to enter into certain related party transaction(s) with related parties as mentioned in Item No. 5, 6, 7, 8 and 9 to this Notice, on mutually agreed terms and conditions, and the aggregate of such transaction(s), are expected to cross the applicable materiality thresholds as mentioned above. Accordingly, as per the SEBI Listing Regulations, prior approval of the Members is being sought for all such arrangements / transactions proposed to be undertaken by the Company. All the said transactions shall be in the ordinary course of business of the Company and on an arm's length basis.

The Audit Committee has, on the basis of relevant details provided by the management, as required by the law, at its meeting held on September 3, 2025, reviewed and approved the same, subject to approval of the Members, while noting that such transaction shall be on arms' length basis and in the ordinary course of business of the Company.

Your Board of Directors considered the same and recommends passing of the Ordinary resolutions contained in Item Nos. 5, 6, 7, 8 and 9 of this Notice.

Information required under Regulation 23 of SEBI Listing Regulations read with **SEBI Circular SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 & RPT Industry Standards dated June 26, 2025 is annexed as Annexure B.**

Item No. 10

As per the provisions of Section 180(1)(c) of the Companies Act, 2013, the Board of Directors of the Company, shall only with the consent of the members by way of Special Resolution, borrow monies in excess of the aggregate of its paid-up share capital of the Company, its free reserves and Securities Premium, apart from temporary loans obtained from the company's bankers in the ordinary course of business.

Taking into consideration the requirements of financial resources for meeting the operational, administrative, working capital and future capital expenditures, your company seek your consent to borrow money upto Rs.100 crores in excess of the aggregate of its paid-up share capital of the Company, its free reserves and Securities Premium, apart from temporary loans obtained from the company's bankers in the ordinary course of business, under Section 180(1)(c) of the Companies Act, 2013.

None of the Directors and / or Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.10 in the notice.

Your Directors recommend the Special resolution as at Item No. 10 for your approval.

ITEM NO.11.

Section 180(1)(a) of the Companies Act, 2013 provides that the Board of Directors of a Company shall only with the consent of the members by way of Special Resolution in a General Meeting, sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company. The hypothecation/mortgage/ creation of charge by the Company of its properties as and when undertaken, may be considered to be the disposal of all or any part of the Company's undertakings, for the borrowings and would attract the provisions of the said Section 180(1)(a) of the Companies Act, 2013.

Consent of the Members is being sought to mortgage, create charges and or/hypothecate the Company's properties as and when necessary to secure any Rupee/Foreign currency Loans, Guarantee assistance, and/or any issue of Non – Convertible Debentures, and/or Compulsorily or Optionally, Fully or Partly Convertible Debentures and/or Bonds, convertible and/or other non – convertible or partly/fully convertible instruments/securities, from time to time, within the overall ceiling prescribed by the Members of the Company, of Rs.100 crores, prescribed by the members of the Company, in terms of Section 180(1)(c) of the Companies Act, 2013.

None of the Directors and / or Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.8 in the notice.

Your Directors recommend the Special Resolution as at Item No. 11 for your approval.

ITEM NO.12.

In terms of the provisions of Section 185 and 186 of the Companies Act, 2013 and rules made thereunder, no Company shall directly or indirectly, without prior approval by means of special resolution passed at a general meeting, (a) advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the director of the company is interested (b) give any loan to any person or other body corporate; (c) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (d) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding 60 percent of its paid up capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account, whichever is more.

Hence, consent of the Members is being sought by way of a special resolution to make investment or to give loan/guarantee or provide security to other body corporate upto Rs.100 crores, in excess of limits specified under Section 185 and 186 of the Companies Act, 2013, as set out at item No.12 of this Notice.

None of the Directors and / or Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.4 in the notice.

Your Directors recommend the Special resolution as at Item No. 12 for your approval.

ITEM NO.13

The Board of Directors has recommended the appointment of M/s Shah & Shah Associates, Company Secretaries, (Unique Identification No.: P2000GJ013500), as the Secretarial Auditor of the Company, pursuant to the provisions of Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 204 of the Companies Act, 2013 and rules made thereunder to carry out Secretarial Audit for consecutive 5 years, i.e. from the FY 2025-26 to FY 2029-30.

Written consent of the Secretarial Auditors and confirmation to the effect that they are eligible and not disqualified to be appointed as the Auditors of the Company in the terms of the provisions of the Listing Regulations, the Companies Act, 2013 and the rules made thereunder is obtained.

Accordingly, consent of the members is being sought for passing an Ordinary Resolution as set out at Item No. 13 of the Notice for appointment of secretarial auditor of the Company.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the ordinary resolution set out at Item No. 13 of the Notice for approval by the Members.

Item No. 14

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. N. D. Birla & Co., Cost Accountants (Firm Registration Number – 000028) as the Cost Auditor, to conduct the audit of the cost accounts / cost records of the Company for the financial year 2025-26 on a remuneration up to Rs. 60,000/- (Rupees Sixty Thousand only/-) plus Goods and service tax (GST) and out of pocket expenses.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor, as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

Accordingly, consent of the members is being sought for passing an Ordinary Resolution as set out at Item No. 14 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year 2025-26.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the ordinary resolution set out at Item No. 14 of the Notice for approval by the Members.

ANNEXURE A

Details pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, are given hereunder:

Names	Mr. Nipun Arora (DIN: 00989835)
Date of Birth	13-12-1974
Experience – Expertise in specific functional areas - Job profile and suitability	Mr. Nipun Arora has long term association with Company in overseeing the administration of the company, where his extensive experience and in-depth knowledge have played a crucial role in the company's operational success. With a strong background in management and organizational leadership, he ensured smooth day-to-day operations and drives efficiency across all departments. His strategic insights and problem-solving abilities have greatly contributed to the company's growth and streamlined business processes. Mr. Arora's leadership in administration had been instrumental in enhancing overall productivity and fostering a positive work environment, further solidifying the company's position as a leader
No. of Shares held in the Company.	NIL
Terms & Conditions	1) His re-appointment is liable to retire by rotation. 2) He is entitled to receive sitting fees for attending the Board and committee meetings.
Remuneration Last Drawn	In the scale of Rs. 1,00,000 per month and perquisite
Remuneration sought to be paid	Shall be entitled to receive the remuneration/fees/commission as permitted to be received in the capacity of Non-Executive Director
Number of Board Meetings attended during the Financial Year 2024-25.	6
Date of Original Appointment.	11.08.2018
Directorship held in other public companies.	1. Twenty First Century Marketing Limited

Names of listed entities from which the person has resigned in the past three years.	NIL
Memberships / Chairmanships of committees of public companies.	NIL
Inter-se Relationship with other Directors.	NIL

Annexure B

Relevant details as stipulated under SEBI Circular SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 & RPT Industry Standards dated June 26, 2025:

(i) To approve material related party transactions with Yarn Syndicate Limited.

Sr. No	Description	Particulars
1	Name of the related party	M/s. Yarn Syndicate Limited
2	Nature of relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Entity in which Director/Designated Partner, Promoter/KPM/Relative of KMP having significant influence
3	Type of the proposed transaction	• Sale, purchase or supply of any goods or materials • Selling or otherwise disposing of, or buying, property of any kind • Leasing of property of any kind • Availing or rendering the services • Appointment of any agent for purchase or sale of goods, materials, services or property • Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company • Underwriting the subscription of any securities or derivatives thereof, of the company
4	Nature, duration/tenure, material terms, monetary value and particulars of contract/arrangement	One Financial Years i.e. from 01-04-2025 to 31-03-2026
5	Particulars of the proposed transaction	• Sale, purchase or supply of any goods or materials • Selling or otherwise disposing of, or buying, property of any kind • Leasing of property of any kind • Availing or rendering the services • Appointment of any agent for purchase or sale of goods, materials, services or property • Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company • Underwriting the subscription of any securities or derivatives thereof, of the company

6	Value of the proposed transaction (INR)	Rs. 50 Crore
7	Name of the director or key managerial personnel who is related, if any and nature of relationship	Mr. Tarachand Agrawal is Director in M/s. Yarn Syndicate Limited.
8	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction. (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)	27.42%
Following additional disclosures to be made in case of loans, inter - corporate deposits, advances or investments made or given		
9	(i) details of the source of funds in connection with the proposed transaction.	Internal accruals and proposed fund raise by the Company, wherever applicable.
	(ii) where any financial indebtedness is incurred to make or give loans, inter- corporate deposits, advances or investments, • nature of indebtedness. • cost of funds; and • tenure.	-
	(iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security and	-
	(iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	-
10	Justification as to why the RPT is in the interest of the listed entity.	The Company works closely with these entities to meet its business objectives. The Company proposed to have range of transactions with these entities, including purchase and sale of goods and services in the ordinary course of business. The aforementioned transactions will not only help both the companies to smoothen business operations but will also ensure a consistent flow of desired quality and quantity of various facilities for uninterrupted operations and an

		increase in productivity. This in turn will contribute towards Company synergy and sustainability.
11	A copy of the valuation or other external party report, if any such report has been relied upon.	-
12	Percentage of the counter - party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis.	-
13	Any other information that may be relevant.	All relevant / important information forms a part of this Explanatory Statement setting out material facts pursuant to Section 102 of the Companies Act, 2013 and SEBI Listing Regulation.

(ii) To approve material related party transactions with M/s. Stitched Textile Limited:

Sr · N o	Description	Particulars
1	Name of the related party	M/s. Stitched Textile Limited
2	Nature of relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Entity in which Director/Promoter/KPM/Relative of KMP having significant influence
3	Type of the proposed transaction	• Sale, purchase or supply of any goods or materials • Selling or otherwise disposing of, or buying, property of any kind • Leasing of property of any kind • Availing or rendering the services • Appointment of any agent for purchase or sale of goods, materials, services or property • Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company • Underwriting the subscription of any securities or derivatives thereof, of the company
4	Nature, duration/tenure, material terms, monetary value and	One Financial Years i.e. from 01-04-2025

	particulars of contract/ arrangement	to 31-03-2026
5	Particulars of the proposed transaction	• Sale, purchase or supply of any goods or materials • Selling or otherwise disposing of, or buying, property of any kind • Leasing of property of any kind • Availing or rendering the services • Appointment of any agent for purchase or sale of goods, materials, services or property • Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company • Underwriting the subscription of any securities or derivatives thereof, of the company
6	Value of the proposed transaction (INR)	Rs. 50 Crore
7	Name of the director or key managerial personnel who is related, if any and nature of relationship	Mr. Jaimin Kailash Gupta is the shareholder of Stitched Textiles and Director and Promoter of Aarvee Denims and Export Limited
8	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction. (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)	27.42%
Following additional disclosures to be made in case of loans, inter - corporate deposits, advances or investments made or given		
9	(i) details of the source of funds in connection with the proposed transaction,	Internal accruals and proposed fund raise by the Company, wherever applicable
	(ii) where any financial indebtedness is incurred to make or give loans, inter- corporate deposits, advances or investments, • nature of indebtedness. • cost of funds; and • tenure.	-
	(iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security and	-

	(iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	-
10	Justification as to why the RPT is in the interest of the listed entity.	The Company works closely with these entities to meet its business objectives. The Company proposes to have range of transactions with these entities, including purchase and sale of goods and services in the ordinary course of business. The aforementioned transactions will not only help both the companies to smoothen business operations but will also ensure a consistent flow of desired quality and quantity of various facilities for uninterrupted operations and an increase in productivity. This in turn will contribute towards Company synergy and sustainability.
11	A copy of the valuation or other external party report, if any such report has been relied upon.	-
12	Percentage of the counter - party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis.	-
13	Any other information that may be relevant.	All relevant / important information forms a part of this Explanatory Statement setting out material facts pursuant to Section 102 of the Companies Act, 2013 and SEBI Listing Regulations.

(iii) To approve material related party transactions with Qmin Industries Limited.

Sr . No	Description	Particulars
1	Name of the related party	M/s. Qmin Industries Limited
2	Nature of relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Entity in which Director/Designated Partner Promoter/KPM/Relative of KMP having significant influence

3	Type of the proposed transaction	• Sale, purchase or supply of any goods or materials • Selling or otherwise disposing of, or buying, property of any kind • Leasing of property of any kind • Availing or rendering the services • Appointment of any agent for purchase or sale of goods, materials, services or property • Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company • Underwriting the subscription of any securities or derivatives thereof, of the company
4	Nature, duration/tenure, material terms, monetary value and particulars of contract/arrangement	One Financial Years i.e. from 01-04-2025 to 31-03-2026
5	Particulars of the proposed transaction	• Sale, purchase or supply of any goods or materials • Selling or otherwise disposing of, or buying, property of any kind • Leasing of property of any kind • Availing or rendering the services • Appointment of any agent for purchase or sale of goods, materials, services or property • Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company • Underwriting the subscription of any securities or derivatives thereof, of the company
6	Value of the proposed transaction (INR)	Rs. 50 Crore
7	Name of the director or key managerial personnel who is related, if any and nature of relationship	Qmin Industries Limited is the Promoter Group of the Company
8	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction. (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)	27.42%

Following additional disclosures to be made in case of loans, inter - corporate deposits, advances or investments made or given		
9	(i) details of the source of funds in connection with the proposed transaction,	Internal accruals and proposed fund raise by the Company, wherever applicable.
	(iii) where any financial indebtedness is incurred to make or give loans, inter- corporate deposits, advances or investments, • nature of indebtedness. • cost of funds; and • tenure.	-
	(iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security and	-
	(iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	-
10	Justification as to why the RPT is in the interest of the listed entity.	The Company works closely with these entities to meet its business objectives. The Company proposes to have range of transactions with these entities, including purchase and sale of goods and services in the ordinary course of business. The aforementioned transactions will not only help both the companies to smoothen business operations but will also ensure a consistent flow of desired quality and quantity of various facilities for uninterrupted operations and an increase in productivity. This in turn will contribute towards Company synergy and sustainability.
11	A copy of the valuation or other external party report, if any such report has been relied upon.	-
12	Percentage of the counter - party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis.	-
13	Any other information that may be relevant.	All relevant / important information forms a part of this Explanatory Statement setting out material facts pursuant to Section 102 of the Companies Act, 2013 and SEBI Listing Regulation.

(i) To approve material related party transactions with 7NR Retail Limited.

Sr · N o	Description	Particulars
1	Name of the related party	M/s. 7NR Retail Limited
2	Nature of relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Entity in which Director/ Designated Partner Promoter/KPM/ Relative of KMP having significant influence
3	Type of the proposed transaction	• Sale, purchase or supply of any goods or materials • Selling or otherwise disposing of, or buying, property of any kind • Leasing of property of any kind • Availing or rendering the services • Appointment of any agent for purchase or sale of goods, materials, services or property • Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company • Underwriting the subscription of any securities or derivatives thereof, of the company
4	Nature, duration/tenure, material terms, monetary value and particulars of contract/arrangement	One Financial Year i.e. from 01-04-2025 to 31-03-2026
5	Particulars of the proposed transaction	• Sale, purchase or supply of any goods or materials • Selling or otherwise disposing of, or buying, property of any kind • Leasing of property of any kind • Availing or rendering the services • Appointment of any agent for purchase or sale of goods, materials, services or property • Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company • Underwriting the subscription of any securities or derivatives thereof, of the company
6	Value of the proposed transaction (INR)	Rs. 50 Crore

7	Name of the director or key managerial personnel who is related, if any and nature of relationship	Relatives of Mr. Tarachand Agrawal, Director of the Company holds share in 7NR Retail Limited.
8	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction. (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)	27.42%
Following additional disclosures to be made in case of loans, inter - corporate deposits, advances or investments made or given		
9	(i) details of the source of funds in connection with the proposed transaction	Internal accruals and proposed fund raise by the Company, wherever applicable.
	(ii). where any financial indebtedness is incurred to make or give loans, inter- corporate deposits, advances or investments, • nature of indebtedness. • cost of funds; and • tenure.	-
	(iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security and	-
	(iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	-
10	Justification as to why the RPT is in the interest of the listed entity.	The Company works closely with these entities to meet its business objectives. The Company propose to have range of transactions with these entities, including purchase and sale of goods and services in the ordinary course of business. The aforementioned transactions will not only help both the companies to smoothen business operations but will also ensure a consistent flow of desired quality and quantity of various facilities for uninterrupted operations and an increase in productivity. This in turn will contribute towards Company synergy and sustainability.

11	A copy of the valuation or other external party report, if any such report has been relied upon.	-
12	Percentage of the counter - party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis.	-
13	Any other information that may be relevant.	All relevant / important information forms a part of this Explanatory Statement setting out material facts pursuant to Section 102 of the Companies Act, 2013 and SEBI Listing Regulation.

(v) To approve material related party transactions with M/s. Brand Cluster LLP:

Sr · N o	Description	Particulars
1	Name of the related party	M/s. Brand Cluster LLP
2	Nature of relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Entity in which Director/Designated Partner Promoter/KPM/Relative of KMP having significant influence
3	Type of the proposed transaction	• Sale, purchase or supply of any goods or materials • Selling or otherwise disposing of, or buying, property of any kind • Leasing of property of any kind • Availing or rendering the services • Appointment of any agent for purchase or sale of goods, materials, services or property • Such related party's appointment to any office or place of
		profit in the company, its subsidiary company or associate company • Underwriting the subscription
4	Nature, duration/tenure, material terms, monetary value and particulars of contract/arrangement	One Financial Years i.e. from 01-04-2025 to 31-03-2026

5	Particulars of the proposed transaction	• Sale, purchase or supply of any goods or materials • Selling or otherwise disposing of, or buying, property of any kind • Leasing of property of any kind • Availing or rendering the services • Appointment of any agent for purchase or sale of goods, materials, services or property • Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company • Underwriting the subscription of any securities or derivatives thereof, of the company
6	Value of the proposed transaction (INR)	Rs. 50 Crore
7	Name of the director or key managerial personnel who is related, if any and nature of relationship	Mr. Tarachand Agrawal, Director is Designated Partner in M/s. Brand Cluster LLP
8	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction. (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)	27.42%
Following additional disclosures to be made in case of loans, inter - corporate deposits, advances or investments made or given		
9	(i) details of the source of funds in connection with the proposed transaction,	Internal accruals and proposed fund raise by the Company, wherever applicable
	(ii) where any financial indebtedness is incurred to make or give loans, inter- corporate deposits, advances or investments, • nature of indebtedness. • cost of funds; and • tenure.	-
	(iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security and	-

	(iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	-
10	Justification as to why the RPT is in the interest of the listed entity.	The Company works closely with these entities to meet its business objectives. The Company has a range of transactions with these entities, including purchase and sale of goods and services in the ordinary course of business. The aforementioned transactions will not only help both the companies to smoothen business operations but will also ensure a consistent flow of desired quality and quantity of various facilities for uninterrupted operations and an increase in productivity. This in turn will contribute towards Company synergy and sustainability.
11	A copy of the valuation or other external party report, if any such report has been relied upon.	-
12	Percentage of the counter - party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis.	-
13	Any other information that may be relevant.	All relevant / important information forms a part of this Explanatory Statement setting out material facts pursuant to Section 102 of the Companies Act, 2013 and SEBI Listing Regulations

Registered Office:
188/2, Ranipur Village, Opp. CNI Church,
Narol, Ahmedabad - 382 405, Gujarat,
India

Place : Ahmedabad
Date : September 3, 2025

By Order of the Board of Directors
Sd/-
Jaimin Kailash Gupta
Chairman and Managing Director
[DIN: 06833388]

AARVEE DENIMS AND EXPORTS LIMITED
CIN: L17110GJ1988PLC010504
Regd. Office: 188/2, Ranipur Village, Opp. CNI Church, Narol, Ahmedabad – 382 405, Gujarat, India
Phone: 079-30417000; E-Mail: cs@aarveedenims.com, Website: www.aarveedenims.com.
Form No. MGT – 11
Proxy Form
[Pursuant to Section 105(6) of the Companies Act, 2013 and
Rule 19(3) of the Companies (Management and Administration) Rules, 2014]
**Thirty-Sixth Annual General Meeting 2024–25 to be held on Tuesday, September 30, 2025 at
1:30 P.M. IST**
Name of the Member(s): _____

Registered Address: _____

E-mail ID: _____

Folio No./DP ID and Client ID: _____

**I/We being the Member(s) holding _____ shares of above-named Company,
hereby appoint:**
1. Name: _____

Address: _____

Email ID: _____ **Signature:** _____ **or failing him;**
2. Name: _____

Address: _____

Email ID: _____ **Signature:** _____ **or failing him;**
3. Name: _____

Address: _____

Email ID: _____ **Signature:** _____ **or failing him;**

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 36th Annual General Meeting of the Company scheduled to be held on Tuesday, September 30, 2025 at 1:30 P.M. IST at the Registered Office of the Company at 188/2, Ranipur Village, Opp. CNI Church, Narol, Ahmedabad – 382 405, Gujarat, India, and at any adjournment thereof, in respect of such resolutions as are indicated below:

Item No.	Summary of Businesses to be transacted at the 35th Annual General Meeting	Type of Resolution	Page No.
1.	To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March 2025 including Audited Balance Sheet as at 31st March 2025, Statement of Profit & Loss and Cash Flow statement for the year ended on that date and the report of the Auditors and Directors' thereon	Ordinary Resolution	
	To appoint a Director in place of Mr. Nipun Vinodkumar Arora, Non Executive Director (DIN: 00989835) who retires	Ordinary Resolution	

	by rotation and being eligible, offers himself for reappointment		
	To Consider and Approve The Change In Object Clause Of Memorandum Of Association Of The Company	Special Resolution	
	To Alter the Memorandum Of Association Of The Company As Per Companies Act, 2013	Special Resolution	
	Approval Of Material Related Party Transaction With 'Yarn Syndicate Limited'	Ordinary Resolution	
	Approval Of Material Related Party Transaction With 'Stitched Textiles Limited'	Ordinary Resolution	
	Approval Of Material Related Party Transaction With 'Qmin Industries Limited'	Ordinary Resolution	
	Approval Of Material Related Party Transaction With '7nr Limited'.	Ordinary Resolution	
	Approval Of Material Related Party Transaction With 'Brand Cluster LLP'	Ordinary Resolution	
	Authority To Avail Loan In Excess Of The Limits Specified In Section 180(1)(C) Of The Companies Act, 2013	Special Resolution	
	To Mortgage And/Or Charge All Or Any Part Of The Movable And/Or Immovable Properties Of The Company As Security For Borrowing.	Special Resolution	
	Power To Give Loans Or Invest Funds Of The Company In Excess Of The Limits Specified Under Section 186 Of The Companies Act, 2013.	Special Resolution	
	To Consider And Approve The Appointment Of Secretarial Auditors Of The Company	Ordinary Resolution	
	Ratification Of Remuneration Of Cost Auditors	Ordinary Resolution	

Signed this _____ day of _____ 2025

Folio No./DP ID and Client ID: _____

Signature of Member: _____

Signature of Proxy holder(s): _____

Affix Revenue
Stamp of INR 30
paise

Note: This proxy form in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.

AARVEE DENIMS AND EXPORTS LIMITED

CIN: L17110GJ1988PLC010504

Regd. Office: 188/2, Ranipur Village, Opp. CNI Church, Narol, Ahmedabad – 382 405, Gujarat, India

Phone: 079-30417000; E-Mail: cs@aarveedenims.com, Website: www.aarveedenims.com.

Attendance Slip

Registered Folio No./DP ID and Client ID: _____

Name and address of the Member(s): _____

Joint Holder 1: _____

Joint Holder 2: _____

No. of Shares: _____

I/We record my/our presence at the 'on Tuesday, September 30, 2025 at 1:30 P.M. IST at the Registered Office of the Company at 188/2, Ranipur Village, Opp. CNI Church, Narol, Ahmedabad – 382 405, Gujarat, India, Member's/Proxy's name in Block Letters Member's / Proxy's Signature

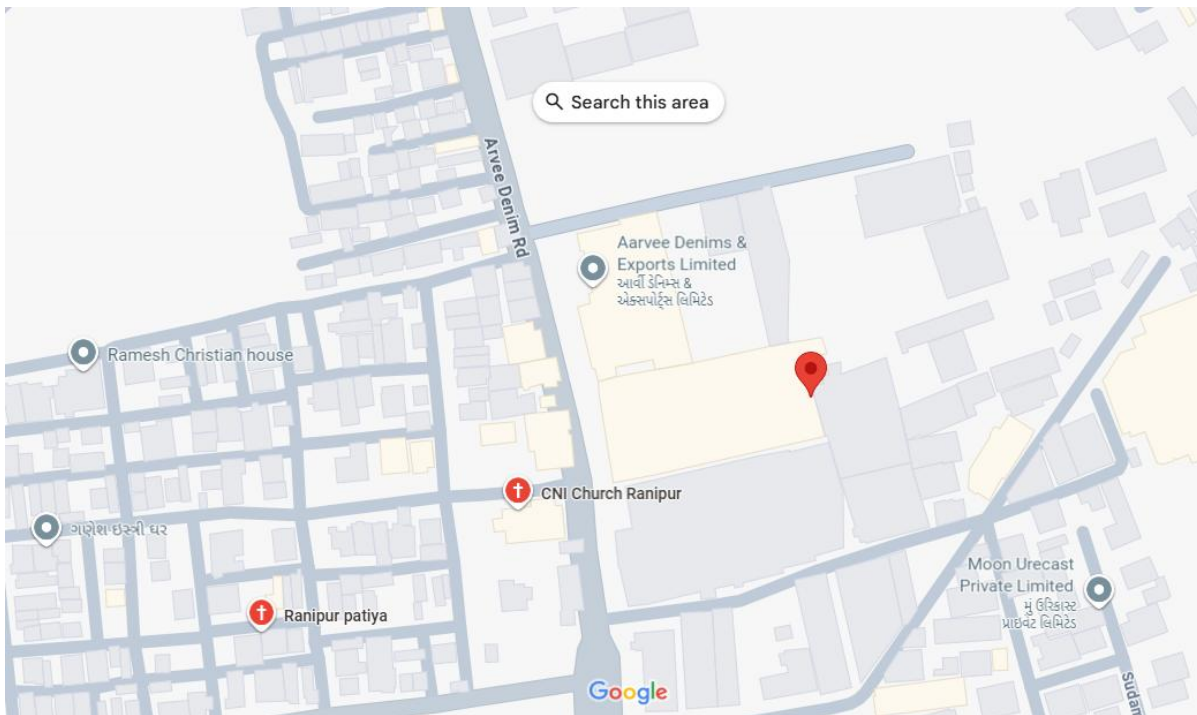
Note:

1. Please fill in the name and sign this Attendance Slip and deposit the same with the Company Officials at the venue of the Meeting.

2. Please read the instructions printed under the Notes to the Notice of the 35th Annual General Meeting to be held on Monday, July 21, 2025 at 1600 Hrs (IST).

3. The remote e-Voting period starts from 0900 Hrs. (IST) on Saturday, September 26, 2025, and ends on Monday, September 29, 2025, at 1700 Hrs (IST), and then the voting module shall be disabled by NSDL. Thereafter, the e-voting and venue voting facility shall be again made available to the Members at the time of AGM and thereafter for half hour from the end of the AGM.

ROUTE MAP OF VENUE OF THE 36TH ANNUAL GENERAL MEETING (“AGM”) OF THE MEMBERS OF AARVEE DENIMS AND EXPORTS LIMITED (THE “COMPANY”) WILL BE HELD ON TUESDAY, SEPTEMBER 30, 2025 AT 1:30 P.M. IST AT THE REGISTERED OFFICE OF THE COMPANY AT 188/2, RANIPUR VILLAGE, OPP. CNI CHURCH, NAROL, AHMEDABAD – 382 405, GUJARAT, INDIA, THROUGH PHYSICAL MODE AND VIDEO CONFERENCING (“VC”) FACILITY / OTHER AUDIO VISUAL MEANS (“OAVM”)



DIRECTORS' REPORT
(CIN: L17110GJ1988PLC010504)

To,
The Members,

Your Directors have pleasure in presenting the 36th Annual Report on the business and operations of your Company together with the audited accounts for the financial year ended 31st March, 2025.

1. FINANCIAL RESULTS

Your Company's performance during the year is as below:

(Rs. in Lakhs)

Particulars	Year ended 31.03.2025	Year ended 31.03.2024
Total Revenue	18235.87	9133.17
Profit before Interest, Tax & Depreciation	5000.54	(2460.49)
Less: Net Interest & Finance Cost	1284.39	3665.48
Less: Depreciation	435.13	1170.50
Profit before tax	3281.01	(7296.47)
Provision for Tax & Deferred tax	1426.62	(2834.83)
Profit for the year	1854.39	(4461.64)
Other comprehensive income	-	41.25
Total comprehensive income	1854.39	(4420.39)

2. PERFORMANCE and HIGHLIGHTS DURING THE YEAR

Your Directors are pleased to report a significant achievement in our financial performance. During the year under review, the company has achieved revenue of Rs 18235.87 Lakh as compared to Rs 9133.17 Lakh for the previous financial year. The Net Profit for the year stood at Rs. 1854.39 Lakh against Net loss of Rs. 4461.64 Lakh in the previous year.

Your Company has executed a Share Purchase Agreement on 5th September, 2024 with **Mr. Jaimin Kailash Gupta ("Acquirer") alongwith Mr. Tarachand Gangasahay Agrawal ("PAC 1") and Qmin Industries Limited ("PAC 2"),** and the promoters/ members of the promoter group of the Company ("**Sellers**") whereby the Acquirer agreed to acquire 1,42,66,303 equity shares (representing 60.81% of the equity share capital as on September 05, 2024) of the Target Company from the Sellers ("**Underlying Transaction**").

Pursuant to consummation of the Underlying Transaction, the Acquirer is to become the promoter of the Target Company, the PACs are to become members of the promoter group of the Target Company and the Sellers, who would cease to hold any equity shares in the Target Company, shall cease to be promoters/ members of the promoter group of the Target Company.

The Underlying Transaction contemplated under the SPA triggered an obligation on the Acquirer and PACs to make the Open Offer to the public shareholders of the Target Company in terms of Regulation 3(1) and 4 of the SEBI (SAST) Regulations. Consequently, the Open Offer process was commenced pursuant to issuance of a public announcement on September 5, 2024, and concluded on December 10, 2024, upon payment of consideration to public shareholders who tendered equity shares in the Open Offer, in full compliance with the

timelines prescribed in the SEBI (SAST) Regulations. Pursuant to Open Offer in accordance with SEBI (SAST) Regulations, 14,90,500 Equity Shares were acquired Mr. Jaimin Kailash Gupta (Acquirer).

Pursuant to Share Purchase Agreement dated September 5, 2024 (SPA) and subsequent Amendment Agreements dated January 15, 2025 and March 06, 2025 (Amended SPAs), 51,70,540 Equity Shares were transferred from Sellers to Mr. Jaimin Kailash Gupta (Acquirer) during the Financial Year ended 31.03.2025.

Your Company has covered the journey of loss of Rs. 4461.64 for the previous financial year to the Net Profit Rs. 1854.39 Lakh for the current year thereby mark a significant turning point for the Company. This remarkable improvement is a testament to the strong foundation of our management team and the support of our Acquirer, Mr. Jaimin Kailash Gupta.

Your Company looks forward to strengthen its operations and curtailing expenditure, that will help to improve its results and profitability.

3. DIVIDEND

Your Directors do not recommend payment of any Dividend for the financial year ended 31st March, 2025.

4. INDIAN ACCOUNTING STANDARD (IND AS)

The company has adopted Indian Accounting Standards (IND AS) with effect from 1st April, 2017, pursuant to the notification of Companies (Indian Accounting Standard) Rules, 2015 issued by the Ministry of Corporate Affairs.

5. COMPLIANCE OF SECRETARIAL STANDARDS

During the year, the Company has complied with the requirements of the Applicable Secretarial Standards i.e. SS-1 and SS-2 relating to "Meeting of Board of Directors" and "General Meetings" respectively issued by Institute of Company Secretaries of India.

5. RESERVES AND SURPLUS

The Company has not transferred any amount to General Reserves for the Financial Year 2024-25.

6. SHARE CAPITAL

The paid up Equity Share Capital as at 31st March, 2025 stood at Rs. 2345.98 Lakhs. During the year under review, the Company has neither made any issue of equity shares with differential voting rights nor has granted any stock options or sweat equity. The Company has no scheme of provision of money for purchase of its own shares by employees or by trustees for the benefit of employees.

7. CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS:

During the financial year under review pursuant to SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 your Company has complied with all the applicable provision of Corporate Governance.

Separate report on Corporate Governance and Management Discussion & Analysis, as required under the SEBI Listing Regulations are forming parts of the Annual Report.

The requisite certificate from Practicing Company Secretary confirming the compliance with the condition of Corporate Governance along with the observation is attached to the Report on Corporate Governance.

8. MATERIAL CHANGES, IF ANY:

A. Completion of SPA:

The proposed acquisition/ Underlying Transaction of acquisition of 1,42,66,303 (One Crore Forty-Two Lakhs Sixty Six Thousand Three Hundred Three) Equity Shares ("Sale Shares") of face value ₹ 10/-each representing 60.81% of the Equity Share Capital of the Target Company, as mentioned in Para 2 above was completed on 10th July, 2025 and Mr. Jaimin Kailash Gupta ("Acquirer") and Tarachand Gangasahay Agrawal ("PAC 1") and Qmin Industries Limited ("PAC 2") have acquired control over the Company.

B. Changes in Promoters of the Company and their Shareholding.

Consequent to the consummation of the Underlying Transaction as per SPA, Mr. Jaimin Kailash Gupta ("Acquirer"), acquired 1,09,81,931 Equity Shares and also re-classified as "Promoter" and Mr. Tarachand Gangasahay Agrawal ("PAC 1") acquired 11,72,990 Equity Shares and Qmin Industries Limited ("PAC 2") which holds 21,11,382 Equity Shares and re-classified as "Promoter Group".

C. Changes in Management and KMP:

1. Pursuant to the completion of SPA dated 05.09.2024, Mr. Jaimin Kailash Gupta (DIN: 06833388) was appointed as Chairman and Managing Director and Mr. Tarachand Gangasahay Agrawal (DIN: 00465635) as Whole time Director of the Company for a term of 3 (three) years commencing from July 05, 2025, as regularised by the members at the Extra ordinary General Meeting held on 19th August, 2025.

2. Mr. Vinod Parmanand Arora (DIN: 00007065), Mr. Ashish V Shah (DIN: 00007201) has resigned as Managing Director, Mr. Kalpesh V Shah (DIN: 00007262) has resigned as Executive Director and Mr. Hiten M Parikh (DIN: 01686215) resigned as Non-Executive and Independent Director of the Company. All resignations were approved by Board of Directors of the company w.e.f. 05th July, 2025.

3. Mr. Ketan Uttamchand Desai, Chief Financial Officer (CFO) of the company has resigned from the company w.e.f. 12th April, 2025. Mr. Jayesh Parmar has been appointed as CFO of the Company, w.e.f. 5th July, 2025.

The designation of Mr. Nipun Arora changed from Whole time director to Non-Executive Director, w.e.f. July 5, 2025.

Mr. Ravi Jitendra Modi (Din: 10932249) was appointed as a Additional (Non-Executive and Independent) Director for a term of 5 (Five) years with effect from July 15, 2025, duly regularised by Members at their meeting held on 19th August, 2025.

D. Preferential Issue/Private Placement of Shares:

Yours Directors in the Board Meeting held on Thursday, January 30, 2025 approved to raise funds (to create, offer, issue and allot) by way of preferential issue on a private placement basis and got the approval of Members by way of Special resolution in the Extra-Ordinary Meeting of Shareholders held on 1st March, 2025. The Company got the In-principal approval of NSE on 23.04.2025 and BSE on 06.05.2025.

The Board of Directors of the Company had allotted 23,04,539 equity shares on 17.05.2025, issued to the persons belonging to public category pursuant to the preferential issue.

E. Change in Registered Office of the Company:

The company has shifted its Registered office from 191 Shahwadi, Near old octroi naka, Narol Sarkhej Highway, Narol, Ahmedabad, Gujarat, India, 382405 to 188/2, Ranipur Village, Opp. CNI Church, Narol, Ahmedabad, Gujarat, India, 382405, w.e.f. 15th July, 2025.

F. Bank Debt-Free Status:

As of 03.06.2025, we have successfully repaid all outstanding bank loans in full and are now officially a bank debt-free.

9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

10. FIXED DEPOSITS

During the year under review no Fixed deposit were accepted by the Company. There are no deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013.

11. INSURANCE AND CLAIMS

All properties and insurable interests of the company including building, plant and machinery and stocks wherever necessary and to the extent required have been adequately insured.

12. SUBSIDIARY COMPANIES /JOINT VENTURES/ASSOCIATE COMPANIES

Company is not having any Subsidiary, associate company and Joint venture as defined under the provisions of Companies Act, 2013 whose accounts are to be consolidated with the accounts of the company.

13. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

For all related party transactions prior omnibus approval of the Audit Committee is obtained on a yearly basis for the transactions which are of foreseen and repetitive nature and such approval is in interest of the Company. Transactions entered into, pursuant to the omnibus approval so granted, are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval.

A detailed report on material contracts and arrangements made during the financial year 2024-25, being arm's length transactions have been reported and annexed hereto in form AOC-2 as

Annexure -A forming part of this report.

There are no materially significant related party transactions made by the company with promoters, key managerial personnel or other designated persons which may have potential conflict with interest of the company at large.

The Company has adopted a Related Party Transactions Policy. The Policy, as approved by the Board is uploaded on the Company's website at the web link <http://www.aarveedenims.com/investors/corporate-governance/>

14. AUDIT COMMITTEE

Details pertaining to Composition of Audit Committee are included in Corporate Governance Report. All recommendations made by were accepted by Board.

15. RISK MANAGEMENT

The Company has adopted a Risk Management Policy for a systematic approach to control risks. The Risk Management Policy of the Company lays down procedures for risk identification, evaluation, monitoring, review and reporting. The Risk Management Policy has been developed and approved by the Senior Management in accordance with the business strategy.

16. INTERNAL CONTROLS SYSTEMS AND ADEQUACY

The Company has in place an adequate system of internal controls. It has documented policies and procedures covering all financial and operating functions and processes. These have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations, protecting assets from unauthorized use or losses and compliance with regulations.

17. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

1) Changes in Directors and Key Managerial Personnel

1. Regularization of Mr. Hiten Parikh, Mr. Kandarp Trivedi, Mr. Ankit N. Mittal from Additional Directors to Directors (Non-Executive-Independent Director), as approved by members through Postal Ballot dated 01st July, 2024.
2. Mr. Nipun Arora was re-appointed as whole time director for three years w.e.f. 11.08.2024 and Mrs. Aarti Thakkar was re-appointed as an Independent Director for five years w.e.f. 14.11.2024 at the Annual General meeting held on 28th September, 2024.

Information regarding the meeting of directors and remuneration etc. is given in the Corporate Governance report attached with the report.

The company is having following Key Managerial Personnel as end of Financial year 2024-25: -

S. No.	Key Managerial Personnel	Designation
1	Mr. Vinod P. Arora, (DIN: 00007065)	Chairman & Managing Director
2	Mr. Ashish V. Shah, (DIN: 00007201)	Managing Director
3	Mr. Kalpesh V. Shah, (DIN: 00007262)	Whole Time Director
4	Mr. Nipun Arora, (DIN: 00989835)	Whole Time Director
5	Mrs. Abira Mansuri	Company Secretary

2) Declaration by an Independent Director(s)

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149 (6) of the Act and Regulation 16 (1) (b) of the Listing Regulations. In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the Rules made there under and are independent of the management. The detail terms of Independent Directors are disclosed on the Company's website with the following link <http://www.aarvee-denims.com/script-code-stock-exchanges.html>

3) Annual Evaluation of Board Performance and Performance of its Committees and of Directors

Pursuant to the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board has carried out an annual performance evaluation of its own performance and, the Directors individually and as well as the evaluation of the working of its Committees. The criteria applied in evaluation process are explained in the Corporate Governance Report.

4) NUMBER OF MEETINGS OF THE BOARD

During the year under review, Seven board meetings were convened and held, the details of which are given in the corporate governance report. The intervening gap between the meetings was within the period prescribed under the Act and the Listing Regulations.

5) COMMITTEES OF BOARD OF DIRECTORS

Your Company has several Committees which have been established as part of best corporate governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes.

The Company has following Committees of the Board:

- a. Audit Committee
- b. Nomination and Remuneration Committee
- c. Stakeholders' Grievances and Relationship Committee
- d. Corporate Social Responsibility Committee
- e. Share Transfer Committee
- f. Risk Management Committee

A detailed note on the committees with respect to composition, meetings, powers, and terms of reference is provided under the corporate governance report section in this Annual Report.

6) DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 (3) (c) and 134 (5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2024 and of the Profit of the Company for the year ended on that date;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- (iv) they have prepared the annual accounts on a going concern basis;
- (v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

18. CORPORATE SOCIAL RESPONSIBILITY

In Accordance with section 135 of the Act and Rules framed thereunder, the Company has constituted a Corporate Social Responsibility ("CSR") Committee of Directors. However, the provisions of Corporate Social Responsibility (CSR) are not applicable to the Company for the Financial year under review as it doesn't meet any of the criteria as per Section 135 (1) of the Companies Act, 2013 in the preceding financial year.

19. POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure.

The Company has not received any complaint of sexual harassment during the financial year 2024-25.

20. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, a Vigil Mechanism or 'Whistle Blower Policy' for Directors, employees and other stakeholders to report genuine concern has been established. The same is uploaded on the website of the Company <http://www.aarvee-denims.com/pdfs/vigil-machanism.pdf>. It is affirmed that no personnel of the Company have been denied access to the Audit Committee.

21. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

No significant material orders have been passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

22. AUDITORS

(1) Statutory Auditors

M/s. Pankaj R. Shah & Associates, Chartered Accountant, Ahmedabad (Firm registration No.107361W) were appointed in the 33rd Annual General Meeting of the Company as Statutory Auditors to hold office for five years from the conclusion of the 33rd Annual General Meeting till the conclusion of 38th Annual General Meeting of the Company.

M/s. Pankaj R. Shah & Associates, Chartered Accountant, Ahmedabad (Firm registration No.107361W) statutory auditors of the Company have submitted the Audit Reports for Audited Standalone Financial Results of the Company for the Financial year ended 31st March 2025 with unmodified opinion, except there was a shortfall in investing in "Liquid

Assets' regarding which the Company is taking steps to do compliances for the same under the guidance of new management

(2) Cost Auditors

The company has received a consent letter from the cost auditors M/s. N. D. Birla and Co., Cost Accountant to the effect that their appointment, if made, would be within the prescribed limits under section 141(3) (g) of the Companies Act, 2013 and that they are not disqualified for appointment. The board of Directors of the company at its meeting held on 27th May, 2025 appointed M/s. N. D. Birla & Co., Cost Accountants as the cost auditors of the Company to conduct the audit of cost records maintained by the Company as required by the Companies (Cost Records and Audit) Rules 2014 as amended from time to time.

The members are requested to ratify the remuneration to be paid to the cost auditors of the company

(3) Secretarial Auditors

Pursuant to Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Tapan Shah, Practicing Company Secretary (COP No. 2839) for conducting Secretarial Audit of the Company for the financial year ended on 31st March, 2025. The Secretarial Audit report of Mr. Tapan Shah, Practicing Company Secretary along with the observations for the financial year ended 31st March, 2025, is annexed as Annexure - C.

1. Observations was raised for a notice from BSE & NSE for delay in reporting of Regulation 24 A of SEBI (LODR) Regulations, 2015 regarding which the Company has filed an application for waiver of penalty with stock exchange and that is under process. 2. Observations was raised also that the Company has made default in payment/repayment of principal amount from banks/FI as on 30.06.2024 regarding which the Company has taken steps and there has been no default after the Quarter ended 30.06.2024. 3. Regarding default made in payment of interest to Fixed deposit holders and maintaining adequate liquid assets in deposit repayment reserve account, the Company is taking steps to do compliances for the same under the guidance of new management. With respect of maintaining SDD register, and policies, the Company is working on steps to update it timely as per the amended provisions as applicable.

23. FRAUD REPORTED BY AUDITORS UNDER SUB SECTION (12) OF SECTION 143 OTHER THAN THOSE TO REPORTABLE TO CENTRAL GOVERNMENT:

During the year under review, the Statutory Auditors and Secretarial Auditor have not reported any instances of fraud committed in the Company by its officers or Employees to the Audit Committee under Section 143(12) of the Companies Act, 2013

24. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134 (3) (m) of the Act read with Rule 8 (3) of The Companies (Accounts) Rules, 2014, is annexed as Annexure - D.

25. PARTICULARS OF EMPLOYEES AND REMUNERATION

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is attached as Annexure – E to this report.

26. ANNUAL RETURN

The extract of Annual Return is no longer required to be attached with the Director's Report u/s 134(3)(a) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management & Administration) Rules, 2014 vide notifications issued by Ministry of Corporate Affairs (MCA) dated 28/08/2020 and 05/03/2021.

Pursuant to Sub-section 3(a) of Section 134 and Sub-section (3) of Section 92 of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014, the copy of the Annual Return of the Company for the Financial Year ended on 31.03.2024 in Form MGT-7 is available on website of the Company <http://www.aarveedenims.com>.

27. INDUSTRIAL RELATIONS

The industrial relations continued to be generally peaceful and cordial.

28. TRANSFER OF AMOUNT/SHARES TO INVESTOR EDUCATION AND PROTECTION FUND

The amounts which remained unpaid or unclaimed for a period of seven years have been transferred by the company, from time to time on due dates, to the Investor Education and Protection Fund.

Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended till date, transfer of shares held by the shareholders of the Company whose dividends are unpaid for a consecutive period of 7 years or more to the Demat A/c of the Investor Education and protection fund authority opened by the IEPF Authority in terms of the aforesaid Rules

Pursuant to the provision of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, there are no unpaid and unclaimed amounts lying with the Company as on 28th September 2024 (date of last Annual General Meeting).

The Company has Company Secretary as Nodal Officer under the provisions of the Investor Education and Protection Fund.

29. REGULATORY STATEMENT

The Equity shares of your company are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).

The Company has paid the listing fees for the year 2024-25 as well as for 2025-26 to above stock exchanges.

30. INFORMATION TECHNOLOGY

Your company keeps in line with the ongoing technological developments taking place in the country and worldwide. The information technology adopted by the company serves as an important tool of internal control as well as providing the benefits of modern technology to its

esteemed customers. Company is taking utmost precautions for the security of data and having a dedicated team for this. During the financial year 2024-2025 there was no instance of cyber security breach happened in the company.

31.CREDIT RATING

Credit rating from for bank loan facility and Fixed Deposit was obtained from Infomercials Valuation and Ratings Private Limited on 30th August,2024. The rating was as under:

Instrument/Facility	Amount (Rs. Crore)	Ratings
Long Term BankFacilities	91.84(reduced from 206.59)	IVR D
Short Term BankFacilities	30.10(reduced from 62.55)	IVR D
Term Deposit programme (long term)	IND tD(ISSUER NOT COOPERATING)	

ACKNOWLEDGEMENTS

Your Directors thank the various Central and State Government Departments, Organizations and Agencies for their continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year and look forward to their continued support in future. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

BY ORDER OF BOARD OF DIRECTORS

Place: Ahmedabad
Date:03.09.2025

Sd/-
Jaimin Kailash Gupta
Chairman and Managing Director
DIN: 06833388

Registered Office:
188/2, Ranipur Village,
Opp. CNI Church, Narol,
Ahmedabad – 382 405, Gujarat, India

Annexure – A

A statement in Form AOC-2 is given below:-

1. Details of contracts or arrangements or transactions not at arm's length basis: No such transactions were entered during the financial year 2024-25.

2. Details of material contracts or arrangement or transactions at arm's length basis:

The contracts or arrangement or transactions entered with the related party during the financial year 2024-25 were disclosed in the Note No. 40 of the notes to accounts forming part of the financial statements for the year ended on 31st March, 2025.

ANNEXURE – B

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. **A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs.**
Not Applicable
2. **The Composition of the CSR Committee.**
Company has set up Corporate Social Responsibility Committee (CSR Committee) as per the requirement of the Companies Act, 2013. The members of the CSR Committee are:
Mr. Ashish Shah, Chairman
Mr. Vinod P. Arora Member
Mr. Aarti Thakkar-Member
3. **Web-link with information on Composition of CSR committee, CSR Policy and CSR projects approved by the board on the website of the company**
<http://www.aarveedenims.com/wp-content/uploads/2021/03/3.-CORPORATE-SOCIAL-RESPONSIBILITY-POLICY.pdf>
4. **Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report):** Not applicable
5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any -** Not applicable
6. **Average net profit of the Company as per section 135(5):** ----
7. **Details:**NA
 - (a) Two percent of average net profit of the company as per section 135(5) -
 - (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. 0
 - (c) Amount required to be set off for the financial year, if any Nil
 - (d) Total CSR obligation for the financial year (7a+7b-7c). N.A.
8. **(a) CSR amount spent or unspent for the financial year:** Not applicable
(b) Details of CSR amount spent against ongoing projects for the financial year: Not applicable
(c) Details of CSR amount spent against other than ongoing projects for the financial year: Not applicable
(d) Amount spent in Administrative Overheads Nil
(e) Amount spent on Impact Assessment, if applicable NA
(f) Total amount spent for the Financial Year (8b+8c+8d+8e) (in J) NA

- (g) Excess amount for set off, if any
9. (a) Details of Unspent CSR amount for the preceding three financial years: Not applicable
(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable
10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). None
(a) Date of creation or acquisition of the capital asset(s). NA
(b) Amount of CSR spent for creation or acquisition of capital asset. NA
(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. NA
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). NA
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). NA

A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company:NA

Annexure – C
SECRETARIAL AUDIT REPORT

For the financial year ended 31/03/2025

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

To,
The Members,
AARVEE DENIMS AND EXPORTS LIMITED
CIN: L17110GJ1988PLC010504
188/2, Ranipur Village, Opp. CNI Church,
Narol, Ahmedabad, Gujarat, India, 382405.

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit through electronically by way of scan copy or soft copy through mail or otherwise, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2025 generally complied with the statutory provisions listed hereunder (except few observation given) and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined through electronically by way of scan copy or soft copy through mail or otherwise, the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2025 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made there under as applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment ;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and 2018; and
 - d) SEBI (Investor Protection and Education Fund) Regulation, 2009;
- (vi) Secretarial Standards issued by the Institute of Company Secretaries of India (SS – 1 and SS – 2);

I have also examined compliance with the applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, amended from time to time, pursuant to the Listing Agreement of the said Company with stock exchanges.

Further being a Textile Industry and involved in specific products, only Textiles (Development and Regulation) Order, 2001 is applicable to the Company, for which examination of the relevant documents and records, on test check basis, has been carried out.

During the period under review the Company has generally complied with the all material aspects of applicable provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above except few observations like:

- I. The Company had submitted delayed report, which is required under Regulation 24 A of SEBI (LODR) Regulations, 2015, for which SE has taken action against the Company by imposing financial penalty.*
- II. The Company has made default in payment of interest/repayment of principle amount on loans from banks/financial institutions of Rs. 153.04 crores as on 31st March, 2024 and Rs.3.26 crores as on 30th June, 2024.*
- III. The Company has renewed its some of the Fixed Deposits, with the consent of such Fixed Deposit holders. However, the Company has not maintained adequate liquid assets and kept the said amount in separate bank account to be called as deposit repayment reserve account.*

IV. The Company has maintained SDD Register, but such Register was not updated in time. The Company has not updated some of the policies, which requires updation, due to change in provisions of the applicable regulations.

During the Period under review, provisions of the following Acts, Rules, Regulations, Guidelines, etc. were not applicable to the Company:

- i. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and Securities and Exchange Board of India (Share Based Employee Benefits and sweat equity) Regulations, 2021;
- ii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations (Amendment) Regulations, 2016 and 2021;
- iii. The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021;
- iv. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and 2018; and
- v. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investments and External Commercial Borrowings;

I further report that –

The Compliance by the Company of applicable financial laws, like direct and indirect tax laws, name of the related parties, etc. has not been reviewed in this Audit since the same have been subject to review by statutory financial auditor and other designated professionals.

I further report that –

Based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit and on the basis of Compliance Certificates issued by the Managing Director and Company Secretary of the Company and taken on record by the Board of Directors at their meetings, in my opinion, adequate systems and processes and control mechanism exist in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, standards and guidelines and general laws like various labour laws, competition law, environmental laws, etc.

I further report that -

During the Period under review, the Share purchase agreement ("SPA") dated 5th September, 2024 was executed amongst the company , members of the promoter and promoter group ("seller") and Jaimin Gupta ("Acquier") alongwith Tarachand Agrawal ("PAC 1") and Qmin Industries Limited ("PAC 2") for purchase of 1,42,66,303 equity shares at Rs. 25.11 per equity shares. Subsequent to that, Mr. Jaimin Gupta ("Acquier") alongwith Tarachand Agrawal ("PAC 1") and Qmin Industries Limited ("PAC 2") made an open offer for the acquisition 60,99,548 (sixty lakhs ninety nine thousand five hundred forty eight) fully paid-up equity shares of face value of Rs.10/- each ("equity shares") representing 26.00 % of total issued, subscribed, paid up and voting equity share capital ("equity share capital") of Aarvee Denims and Exports Limited ("target company") at a price of Rs. 41/- (Rupees forty one only) per equity shares ("offer price").

Open offer was opened as on 21st November, 2024 and closed as on 4th December, 2024. During this period, Acquier have acquired 14,90,500 equity shares from the Public.

Further, up to 31st March, 2025, Mr. Jaimin Gupta ("Acquirer") has acquired the 51,70,540 Equity shares from the existing promoters of the company at a price of Rs.25.11 per equity shares, as per Share purchase agreement.

I further report that -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, as on close of the financial year.

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

I further report that during the audit period there were few specific events/ actions in pursuance of the above referred laws, rules, regulations, standards, etc. having a major bearing on the Company's affairs, details of which are as stated below:

1. Regularization of Mr. Hiten Parikh, Mr. Kandarp Trivedi, Mr. Ankit N. Mittal from Additional Directors to Directors (Non-Executive-Independent Director), as approved by members through Postal Ballot dated 01st July, 2024.

2. Mr. Nipun Arora was re-appointed as whole time director for three years w.e.f. 11.08.2024 and Mrs. Aarti Thakkar was re-appointed as an Independent Director for five years w.e.f. 14.11.2024 at the Annual General meeting held on 28th September, 2024.
3. The company has approved the issue of 37,13,044 Equity shares at Rs. 134.66 per equity share, on preferential basis to proposed allottee(s)(public category), duly approved by Board of directors as on 30th January, 2025 and Members at their Extra Ordinary General Meeting held on 01st March, 2025.

I further report that-

After the closure of the Financial Year,

1. Mr. Ketan Uttamchand Desai, Chief Financial Officer (CFO) of the company has resigned from the company w.e.f. 12th April, 2025. Mr. Jayesh Parmar has been appointed as CFO of the Company, w.e.f. 5th July, 2025.
2. The Board of Directors of the Company had allotted 23,04,539 equity shares, issued to the persons belonging to public category pursuant to the preferential issue.
3. The transfer of balance 90,95,763 Equity Shares to the Acquirer and Persons Acting in Concert, in accordance with Share Purchase Agreement dated 5th September, 2024("SPA"). After that, the company has approved the Re-classification of Jaimin Gupta ("Acquier") alongwith Tarachand Agrawal ("PAC 1") and Qmin Industries Limited ("PAC 2") as promoters of the company as on 05th July, 2025.
4. The Company has approved appointment including Remuneration of Mr. Jaimin Kailash Gupta (DIN: 06833388) as Chairman and Managing Director and Mr. Tarachand Gangasahay Agrawal (DIN: 00465635) as Whole time Director for a term of 3 (three) years commencing from July 05, 2025, as approved by the members at the Extra ordinary General Meeting held on 19th August, 2025.
5. The Resignation of Mr. Vinod Parmanand Arora (DIN: 00007065), Mr. Ashish V Shah (DIN: 00007201) as Managing Director, Mr. Kalpesh V Shah (DIN: 00007262) as Executive Director and Mr. Hiten M Parikh (DIN: 01686215) as Non-Executive and Independent Director was approved by Board of Directors of the company w.e.f. 05th July, 2025.
6. The company has shifted its Registered office from 191 Shahwadi, Near old octroi naka, Narol Sarkhej Highway, Narol, Ahmedabad, Gujarat, India, 382405 to 188/2, Ranipur Village, Opp. CNI Church, Narol, Ahmedabad, Gujarat, India, 382405, w.e.f. 15th July, 2025.

7. There is change in designation of Mr. Nipun Arora from Whole time director to Non-Executive Director, w.e.f. July 5, 2025 and Mr. Ravi Jitendra Modi (Din: 10932249) was appointed as a Non-Executive and Independent Director for a term of 5 (Five) years with effect from July 15, 2025, duly approved by Members at their meeting held on 19th August, 2025.

Place: Ahmedabad
Date: 03/09/2025

Name of Company Secretary in practice: Tapan Shah
FCS No. : 4476
C P No. : 2839
UDIN : F004476G001153041
PR No.: 6457/2025

Note: This Report is to be read with my letter of above date which is annexed as **Annexure A** and forms an integral part of this report.

Annexure A

To,
The Members,
AARVEE DENIMS AND EXPORTS LIMITED
CIN: L17110GJ1988PLC010504
188/2, Ranipur Village,
Opp. CNI Church,
Narol, Ahmedabad, Gujarat, India, 382405.

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done based on the records and documents provided, on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed by me provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Ahmedabad
Date: 03/09/2025

Name of Company Secretary in practice: Tapan Shah
FCS No. : 4476
C P No. : 2839
UDIN : F004476G001153041
PR No.: 6457/2025

Note: This Report is to be read with my letter of above date which is annexed as **Annexure A** and forms an integral part of this report.

ANNEXURE - D

Information pursuant to Section 134 (3) (m) of the Companies Act, 2013 and under Rule 8 (3) of Companies (Accounts) Rules 2014 and forming part of the Directors' Report for the year ended 31st March, 2025

(A) Conservation of energy-

(i) The steps taken or impact on conservation of energy;

1. Installing energy efficient electric equipments.
2. Use of energy efficient CFL and LED lights and changing of Electronics Ballast in place of Copper Ballast.
3. Creating awareness among all the staff members to conserve energy.
4. Replacement of inefficient motors.

(ii) Total energy consumption and energy consumption per unit of production

(Rs. In Lakhs)

Particulars	2024-25	2023-24
1. Electricity		
(a) Purchased Units KWH in Lac		
Total Amount (Rs. in Lac)	16.70	72.63
Rate/unit (Rs./KWH)	253.30	1021.38
(b) Wind Turbine (Units KWH in Lac)	15.16	14.06
	0	0
2. Coal & Lignite		
Quantity (in MT)	874.98	2520
Total Cost(Rs in Lac)	76.82	227.67
Cost/MT	8779.65	9035

III. CONSUMPTION PER UNIT OF PRODUCTION:

Particulars	2024-25		2023-24	
	FABRIC (PER MTR)	YARN (PER KG)	FABRIC (PER MTR)	YARN (PER KG)
Electricity (KWH)	1.86	1.98	1.86	1.98
Coal (Kg)	0.65	Nil	0.65	Nil

(B) Technology absorption-

(i) The efforts made towards technology absorption;

Efforts towards technology absorption included continued efforts for process improvements and improved formulation types / strengths to improve the efficacy, productivity and profitability of the Company.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

Product development, value addition and sustainable.

(iii) **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-**

- (a) the details of technology imported: The Company has not imported any technology during the last three financial years.
- (b) the year of import: Not Applicable
- (c) whether the technology been fully absorbed: Not Applicable
- (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not Applicable

(iv) **The expenditure incurred on Research and Development.**

(Rs. in Lakh)

Particulars	2024-25	2023-24
Capital	Nil	Nil
Recurring	Nil	Nil
Total	Nil	Nil
Total R&D Expenditure as % of total turnover	Nil	Nil

(c) **Foreign exchange earnings and Outgo-**

(Rs. in Lakh)

Particulars	2024-25	2023-24
Foreign Exchange Earning	NIL	436.72
Foreign Exchange Outgo	NIL	4.40

Annexure - E

[Pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

1. The ratio of the remuneration of each Director to the median remuneration of the Employees of the Company for the financial year:

(Amount in Lacs)

Sr. No.	Name of Director	Designation	Ratio of remuneration of director to Median Remuneration of employees	Percentage (%) increase in Remuneration
1	Mr. Vinod P. Arora	Chairman and Managing Director	17.87	Nil
2	Mr. Ashish V. Shah	Managing Director	14.89	Nil
3	Mr. Kalpesh V. Shah	Whole Time Director	8.93	Nil
4	Mr. Nipun Arora	Whole Time Director	5.95	Nil
5	Mrs. Abira Mansuri	CS	4.46	Nil
6	Mr. Ketan Desai	CFO	8.93	Nil

Note: Independent Directors do not receive any remuneration other than sitting fees for attending Board and Committee Meetings. Details of sitting fees paid to Independent Directors are given in the Report on Corporate Governance forming part of the Annual Report and hence, are not included in the above table.

- The percentage increase in the median remuneration of employees in the financial year was %-NIL
- The number of permanent employees on the rolls of Company:228
- There was no major change in the Managerial Remuneration for the Financial Year 2024-25 as compared to Financial Year 2023-24. Therefore, there is no justification and information, regarding exceptional circumstances for increase in Managerial Remuneration, to be disclosed.
- It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees, adopted by the Company.
- Particulars of employee in terms of Sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

There was no employee of the Company employed throughout the financial year with salary above Rs. 1 Crore and 2 Lakh per annum or employed in part of the financial year with an average salary above Rs. 8 Lakh and 50 Thousands per month. Further, there is no employee employed throughout the financial year or part thereof, was in receipt of remuneration in aggregate, in excess of that drawn by the Managing Director or Whole-time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two per cent (2 per cent) of the equity shares of the Company.

(L17110GJ1988PLC010504)

The Securities and Exchange Board of India (SEBI) has prescribed Corporate Governance standards for listed companies under Regulations 17 to 27 and Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

Corporate governance embodies principles of corporate discipline, transparency, integrity and accountability towards all stakeholders. It aims to foster long-term value creation while upholding ethical conduct, fulfilling social responsibilities and ensuring regulatory compliance, ultimately enhancing stakeholder value.

I. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company is firmly committed to upholding the principles of sound corporate governance. The Company continuously strives to enhance performance across all levels by adhering to best governance practices, including transparency, diligence, responsibility and accountability. In line with this commitment, we have designed our systems and action plans to drive sustainable performance and create long-term stakeholder value.

To foster a culture of good governance, the Company has adopted a comprehensive framework that includes performance accountability, effective internal controls, well-structured Board committees, and the fair representation of professionally qualified, nonexecutive, and independent directors on the Board. We ensure timely and adequate compliance with statutory requirements, and we maintain transparency through regular disclosures regarding performance, ownership, and corporate governance practices. This Corporate Governance Report reflects compliance with all mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended by the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

The Company continues to pursue excellence in governance, with integrity at its core. We believe that good governance entails truthfulness, transparency, accountability, and responsibility in all interactions, with employees, shareholders, customers and the broader community. Beyond statutory compliance with the Companies Act and SEBI regulations, our disclosures are guided by the aspiration to achieve the highest standards of governance and foster stakeholder trust.

II. BOARD OF DIRECTORS

The Board comprises of eminent persons with considerable experience in diverse fields. The Executive Directors are responsible for overseeing the day-to-day operations of the Company. The Board of Directors reviews the overall business performance at least once every quarter, based on updates provided by the Executive Directors. In addition to offering strategic direction, the Board provides independent insights and guidance to the senior management while fulfilling its fiduciary duties. It ensures that the Company is governed in a manner that aligns with stakeholder expectations and broader societal responsibilities, thereby promoting sustainable and responsible growth.

(A) Composition of Board

The Company has a policy of having optimum combination of independent and non-executive directors, to ensure the independent functioning of the Board. As on 31st March 2025 the Board consisted eight members, four of whom were independent directors including one women Independent director. The Company has received declaration of independence as per the provisions of Section 149 (6) of Companies Act 2013 from all 4 Independent Directors. None of the Director on the Board is a Member of more than ten committees and Chairperson of more than five committees across all the Companies in which they are directors. All compliances related to the

Director who is more than 75 years of age is also complied by the company. All necessary disclosures regarding the directorship have been made by the directors.

Names and categories of directors on the Board (as on 31.03.2025), their attendance at Board meetings during the year and at the last Annual General Meeting held on 30th September 2024, and also the number of directorship in other committees is as follows:

Name of Director	Category	Inter-se Relationship	Numbers of Board Meetings		No. of Directorships in other Companies ¹	No. of Committee memberships ²		Whether attended last AGM held on 30.09.2024
			Held during the year	Attended during the Year		as member	as Chairman	
Mr. Vinod P. Arora (Chairman & Managing Director)	Promoter, Non Independent and Executive Director	Son of Mr. Parmanand Arora and Brother of Mr. Rajesh Arora	7	7	2	1	0	Yes
Mr. Ashish V. Shah (Managing Director)	Promoter, Non Independent and Executive Director	Brother of Mr. Kalpesh Shah	7	7	3	0	0	Yes
Mr. Kalpesh V. Shah (Whole Time Director)	Promoter, Non Independent and Executive Director	Brother of Mr. Ashish Shah	7	6	3	1	0	Yes
Mr. Hiten Parikh (Director)	Independent Non-executive	NA	7	6	2	0	3	Yes
Mr. Kandarp Trivedi (Director)	Independent Non-executive	NA	7	6	3	1	5	Yes
Mr. Ankit Mittal (Director)	Independent Non-executive	NA	7	6	2	1	0	Yes

Mr. Nipun Arora (Director)	Non Independent and Executive Director	Son of Mr. Vinod Arora, Chairman and Managing Director of the Company	7	7	3	0	0	Yes
Ms. Aarti Thakkar (Director)	Independent Non-executive	NA	7	7	0	1	0	Yes

Note:

1. Other Directorships includes Directorships held in listed, unlisted and private limited companies other than Aarvee Denims & Exports Limited.

2. Includes only memberships of Audit Committee (AC) and Stakeholders Relationship Committee (SRC) of all the public limited companies including Aarvee Denims & Exports Limited

Names of other listed entity where the director is holding directorship and their category on the Board of that listed entity as on 31st March 2025

Mr. Hiten Parikh (DIN:01686215)		Mr. Kandarp Trivedi(DIN :00314065)		Mr. Ankit Mittal (DIN: 10056094)		Ms. Aarti Thakkar (DIN :8603909)	
Name of the listed entity	Category of directorship	Name of the listed entity	Category of directorship	Name of the listed entity	Category of directorship	Name of the listed entity	Category of directorship
NIL		Asian Granito India Ltd	Non-Executive Independent Director	NIL		NIL	
Mr. Vinod P. Arora (DIN 00007065)		Mr. Ashish V. Shah (DIN 00007201)		Mr. Kalpesh V. Shah (DIN 00007262)		Mr. Nipun Arora (DIN 00989835)	
Name of the listed entity	Category of directorship	Name of the listed entity	Category of directorship	Name of the listed entity	Category of directorship	Name of the listed entity	Category of directorship
NIL		NIL		NIL		NIL	

Note: * Audit Committee and Shareholders Relationship Committee.

Shareholding of Non-Executive Directors as on 31st March, 2025

Name of Director	No. of Shares held
Mr. Hiten Parikh	-
Mr. Kandarp Trivedi	-
Mr. Ankit Mittal	-
Ms. Aarti Thakkar	-

Pursuant to good Corporate Governance the Independent Directors on Board:

Name	Knowledge of Company's business	Sales and Marketing skills	Business Strategy/ Analytics, Critical Innovative thinking	Corporate Management and Governance	Financial Management Skills, Administration	Leadership and decision making	Behavioral Skills	Risk Identification
Mr. Vinod P. Arora (Chairman & Managing Director)	√	√	√	√	√	√	√	√
Mr. Ashish V. Shah (Managing Director)	√	√	√	√	√	√	√	√
Mr. Kalpesh V. Shah (Whole Time Director)	√	√	√	-	-	√	√	√
Mr. Nipun Arora (Director)	√	√	√	-	√	√	√	√
Mr. Hiten Parikh (Director)	√	-	√	√	√	√	√	√
Mr. Kandarp Trivedi (Director)	√	-	√	√	√	√	√	√
Mr. Ankit Mittal (Director)	√	-	√	√	√	√	√	√
Ms. Aarti Thakkar (Director)	√	-	√	√	√	√	√	√

- Apart from receiving Director's remuneration (sitting fee and other amount viz., profit share

etc.), do not have any material pecuniary relationships or transactions with the company, its promoters, its Directors, its senior management & associates which may affect independence of the Director.

- Are not related to promoters or persons occupying management positions at the board level or at one level below the board.
- Have not been an executive of the company in the immediately preceding three financial years.
- Are not partners or executives or were not partners or an executive during the preceding three years of the:
 - Statutory audit firm or the internal audit firm that is associated with the Company.
 - Legal firm(s) and consulting firm(s) that have a material association with the company.
- Are not material suppliers, service providers or customers or lessors or lessees of the company, which may affect independence of the Director.
- Are not substantial shareholders of the Company i.e. do not own two percent or more of the block of voting shares.

Chart setting out the skills/expertise/competencies of Board of Directors

Company being in the business of Foreign Exchange, remittance, Payment Systems and other related business activities hence its Board members should have skills/expertise/competencies related to finance, banking & industry specific skills. Following chart is showing the skills/expertise/competencies of Board Members:-

A certificate has been received from Mr. Tapan Shah, Practicing Company Secretary, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority and said certificate enclosed herewith as annexure to this report.

The Board of Directors have an opinion that all the Independent Directors fulfills the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as amended time to time. All the independent directors are independent of the management and affairs of the Company

(B) MEETING OF BOARD

Board meetings are governed by a structured agenda, with all major agenda items supported by comprehensive background information to enable the Board to make informed decisions. The Company Secretary, in consultation with executive directors and senior management, prepares the detailed agenda for Board meetings.

In accordance to the Regulation 17 of the Listing Regulations and the Companies Act, 2013, the Board meets at least once each quarter, ensuring that the gap between any two meetings does not exceed 120 days. During the year under review, the Board held seven meetings on 29th May, 2025, 9th August, 2025, 5th September, 2025, 12th September, 2025, 14th November, 2025, 13th January, 2025 and 30th January, 2025.

INFORMATION SUPPLIED TO THE BOARD

The Board has complete access to all information with the Company. Inter-alia, the following information is regularly pro-vided to the Board as a part of the agenda papers well in advance of the Board meetings or is tabled in the course of the Board meeting:

- A. Annual operating plans and budgets and any updates.
- B. Capital budgets and any updates.
- C. Quarterly results for the listed entity and its operating divisions or business segments.
- D. Minutes of meetings of audit committee and other committees of the board of directors.

- E. The information on recruitment and remuneration of senior officers just below the level of board of directors, including appointment or removal of Chief Financial Officer and the Company Secretary.
- F. Show cause, demand, prosecution notices and penalty notices, which are materially important.
- G. Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- H. Any material default in financial obligations to and by the listed entity, or substantial non-payment for goods sold by the listed entity.
- I. Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the listed entity or taken an adverse view regarding another enterprise that may have negative implications on the listed entity.
- J. Details of any joint venture or collaboration agreement.
- K. Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
- L. Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- M. Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business.
- N. Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse ex-change rate movement, if material.
- O. Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

During the year, the Board of Directors accepted all recommendations from the Committees, particularly those that were statutory in nature, requiring Committee recommendation and Board approval. As a result, the Company has complied with the condition outlined in clause 10(j) of Schedule V of the SEBI Listing Regulations.

During the year under review, the Board of Directors reviewed various policies to ensure compliance with the recent amendments in the Companies Act, 2013, SEBI Regulations and other statutory requirements. All updated policies are available on the Company's website.

D) EVALUATION OF BOARD OF DIRECTORS

During the year, the performance of the Board was evaluated by the Independent Directors. The evaluation was based on various criteria, including the structure and diversity of the Board, the experience of Directors, strategy and performance evaluation, secretarial support, risk evaluation, performance of management and feedback, as well as the independence of the Board from the management.

The Nomination and Remuneration Committee also reviewed the performance of individual Directors based on criteria such as knowledge and competency, fulfillment of functions, availability and attendance, initiative, integrity, contribution and commitment, independence and the ability to provide independent views and judgment. Additionally, the Board evaluated the performance of the Independent Directors (IDs), including their fulfillment of independence criteria as outlined in the Listing Regulations and their independence from the management. Directors who were subject to evaluation did not participate in the evaluation proceedings.

E) CODE OF CONDUCT

The Board has laid down a Code of Conduct for Board Members and Senior Management Personnel of the Company. The Code is available on the Company's website. All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct. A declaration signed by the Managing Director to this effect is included in this report. Additionally, the Board has adopted a separate Code of Conduct with respect to the duties of Independent Directors, as per the relevant provisions of the Companies Act, 2013

F) INDEPENDENT DIRECTOR

Eligibility: The Independent Directors declare that they meet the criteria of independence as specified under Section 149(6) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board further confirms that the Independent Directors fulfil the conditions specified in terms of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that they are Independent of the management of the Company. All the Directors are in compliance with the limit on independent directorships of listed companies as prescribed under Regulation 17A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Independent Directors have confirmed that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties. All the Directors have confirmed that they are not members of more than ten mandatory committees and do not act as Chairman of more than five mandatory committees in terms of the Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 across all the listed companies in which they are Directors.

Independent Director Databank Registration: The terms and conditions of appointment of Independent Directors have been disclosed on the website of the Company as required in terms of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Pursuant to a notification dated October 22, 2019 issued by the Ministry of Corporate Affairs, all Independent Directors have done the registration with the Independent Directors Databank.

Requisite disclosures have been received from the concerned Directors in this regard.

Familiarisation Programme for Directors:

Company implemented a comprehensive Director Familiarisation Programme aimed at ensuring that its Board members, including newly appointed Independent Directors, acquire a thorough understanding of the company's strategic initiatives, operational capabilities, and governance framework.

Programme Overview:

- a. Strategic Orientation:** Directors were acquainted with the Company's vision, mission, values, and strategic priorities, encompassing areas such as sustainability efforts, technological advancements, expansion plans, business development strategies, and overall strategic direction.
- b. Operational Immersion:** The programme included visits to manufacturing plants, primarily located in the State of Madhya Pradesh etc. These visits provided first hand exposure to the Company's operational capabilities, manufacturing processes, and technological innovations, facilitating a deeper understanding of the company's core functions.
- c. Ongoing Awareness:** Periodic presentations during Board and Committee meetings covered various aspects such as business models, new business strategies and initiatives by business leaders, risk minimization procedures, changes in domestic and overseas industry scenarios, digital transformation and the regulatory regime affecting the Company.
- d. Knowledge Dissemination:** Regular newsletters were circulated to keep Directors informed about the developments happening in the Company, Industry Scenario, Sustainability, Governance Initiatives etc. Details of familiarisation Programmes imparted to independent Directors are disclosed on the website of the Company at <http://www.aarveedenims.com/wp-content/uploads/2021/06/Appointment-Letter-for-Independant-Director.pdf>.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

Pursuant to and in compliance with Regulation 26(7) of SEBI(SAST) Regulation 2011 in relation to the open offer made by Jaimin Kailash Gupta ("Acquirer") along with Tarachand Gangasahay Agrawal "PAC 1") and Qmin Industries Limited ("PAC 2")(together referred as "PAC'S") ,a separate meeting was held of the Independent Directors (IDs),on 12th November,2024 without the presence of Non-Independent Directors or members of management for making recommendation to open offer under the chairmanship of Mr. Hiten Parikh.

Pursuant to and in compliance with Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors (IDs), without the presence of Non-Independent Directors or members of management, In the meeting held on 22nd November,2025 under the chairmanship of Mr. Hiten Parikh , the Independent Directors inter alia discussed the following:

- Reviewed the performance of Non-Independent Directors and the Board as a whole;
- Reviewed the performance of the Chairman of the Company, taking into account the views of Executive Director and Non-Executive Directors; and
- Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively
- and reasonably perform their duties.

All Independent Directors of the Company attended the Meeting of Independent Directors Mr. Sanjay Majmudar chaired the Meeting.

III. COMMITTEES OF BOARD

The Committees of the Board play a crucial role in ensuring effective corporate governance practices. These Committees are formed to handle specific tasks and facilitate the timely resolution of various matters. Established with formal approval from the Board, the Committees carry out clearly defined responsibilities that are typically entrusted to Board members as part of good governance practices. The Board supervises the execution of the Committees' responsibilities and is ultimately accountable for their actions. Minutes of all Committee meetings are reviewed by the Board.

As of now, the Board has established the following Committees:

- 1) Audit Committee
- 2) Nomination and Remuneration Committee
- 3) Stakeholder's Grievances and Relationship Committee
- 4) Corporate Social Responsibility (CSR) Committee
- 5) Risk Management Committee

1. AUDIT COMMITTEE

The Board has constituted an Audit Committee with the primary objective of monitoring and providing effective supervision of the Management's financial reporting process. This ensures accurate, timely, and proper disclosures, promoting transparency, integrity and the quality of financial reporting

The Audit Committee has been formed with a view to provide assistance to the board in fulfilling the Board's responsibilities.

Roles and Terms of Reference:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

Matters required being included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section

- a. 134 of the Companies Act, 2013
- b. Changes, if any, in accounting policies and practices and reasons for the same
- c. Major accounting entries involving estimates based on the exercise of judgment by management
- d. Significant adjustments made in the financial statements arising out of audit findings
- e. Compliance with listing and other legal requirements relating to financial statements
- f. Disclosure of any related party transactions

- g. Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The audit committee review the following information:

- (1) Management discussion and analysis of financial condition and results of operations;
 - (2) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - (3) Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - (4) Internal audit reports relating to internal control weaknesses; and
 - (5) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
 - (6) Statement of deviations:
 - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (LODR) Regulations, 2015.
 - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI (LODR) Regulations, 2015.
- Minutes of the all Audit Committee Meetings are circulated to the Members of the Board of Directors and taken note of. Terms of reference and powers of the committee include the areas/powers prescribed by Regulation 24 of SEBI (LODR) Regulations, 2015 of stock exchanges.

The Audit Committee periodically reviewed and noted all related party transactions. All related party transactions were conducted in the ordinary course of business, on an arm's length basis, and in accordance with the Company's policy on related party transactions. The Committee ratified all related party transactions entered into by the Company during the financial year ending 31 March 2025. Additionally, the Audit Committee granted omnibus approval for related party transactions that the Company proposed to enter into during the financial year ending 31 March 2025

The composition, names of members and particulars of the meetings and attendance of the members during the year and as on the date of this report are as follows:

Name of Member	Designation	Category	No. of Meetings	Meetings attended
Mr. Hiten Parikh	Chairman	Independent – Non- Executive Director	4	4
Mr. Kandarp Trivedi	Member	Independent – Non- Executive Director	4	4
Mr. Ankit Mittal	Member	Independent – Non- Executive Director	4	4

The Audit Committee met 5 times during the year and gap between two meetings did not exceed four months. The dates on which Audit Committee Meetings were held were 29th May, 2024 , 9th August, 2024, 14th November 2024 and 30th January, 2025. Necessary quorum was present at above mentioned Meetings.

All the members of the Audit Committee are financially literate and are having accounting or related financial management expertise.

The meetings of Audit Committee are usually attended by Chief Financial Officer, Internal Auditor, Company Secretary and a representative of the Statutory Auditors. The Business and Operation Heads are invited to the Meetings, when required. The Company Secretary acts as the secretary to Committee.

The Chairman of Audit Committee, Mr. Hiten Parikh was present at the Annual General Meeting of the Company held on 30th September 2024

2. STAKEHOLDER'S RELATIONSHIP COMMITTEE

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations, the Board has formed a "Stakeholder's Grievances and Relationship Committee." This Committee has been constituted to specifically address various aspects of interest for shareholders, including requests or complaints related to the transfer of shares, dematerialisation of shares, non-receipt of annual accounts, non-receipt of dividends, revalidation of expired dividend warrants, address changes and nominations.

A. Composition

The composition of the Committee meets all the requirements of Regulation 20 of SEBI (LODR)

Regulations, 2015 and Section 178 of the Companies Act, 2013.

As of 31 March 2025, the Stakeholder's Grievances and Relationship Committee comprises three members: Mr. Kandarp Trivedi as Chairperson, Mr. Vinod Arora and Mr. Kalpesh Shah as Members.

The committee meets at frequent intervals, to approve inter-alia, transfer/transmission of shares, deletion of names, split/consolidation of shares etc. Details of shares transfer/transmissions approved by the committee are placed at the Board meetings from time to time.

B. Terms of Reference

The Company has complied with the requirements of Regulation 20 of SEBI (Listing obligations and disclosure Requirements) Regulations, 2015 and pursuant to provision of Companies Act, 2013 as regards to composition of this Committee.

Terms of reference, authority and powers of the Stakeholders Relationship Committee are in accordance with the requirements of Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The composition, names of members and particulars of the meetings and attendance of the members during the year areas follows:

Name of Member	Designation	Category	No. of Meetings	Meetings attended
Mr. Kandarp Trivedi	Chairman	Independent – Non- Executive	4	4
Mr. Vinod P. Arora	Member	Chairman and Managing Director	4	4
Mr. Kalpesh V. Shah	Member	Whole Time Director	4	4

The committee looks into the matters relating to investor grievances viz, transfer of shares, non-receipt of dividend, non-receipt of Balance Sheet and other matters relating thereto.

The committee met four times during the year viz. 29th May, 2024, 9th August, 2024, 14th November 2024 and 30th January, 2025 and all three members of committee were present at above meetings as per above table.

The details of the complaint received/solved/pending during the year are as below:

Nature of Complaint	Complaints received	Complaints solved	Complaints pending
Non receipt of shares certificate after transfer etc.	-	-	-
Non receipt of dividend warrants	0 0	0 0	Ni l
Query regarding demat credit	-	-	-
Others	0 0	0 0	Ni l
Letters received from SEBI/ROC/ Stock Exchange	0 0	0 0	Ni l
Total	0 0	0 0	Ni l

3. **NOMINATION AND REMUNERATION COMMITTEE**

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015, the Board has constituted a Nomination and Remuneration Committee (NRC).

The primary role of the Nomination and Remuneration Committee is to determine and recommend to the Board the Company's policies on remuneration packages for Executive and Non-Executive Directors. The Committee also recommends policies related to the nomination and appointment of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel.

Composition, meetings held and attendance at the meetings during the year

As of March 2025, the Nomination and Remuneration Committee comprises four members. Mr. Hiten Parikh as Chairperson and Mr. Kandarp Trivedi, Mr. Ankit Mittal and Mrs. Aarti Thakkar as Members of the Committee. All members of the Committee are Non-Executive Directors. The composition of the Committee complies with the requirements of Regulation 19 of the SEBI (LODR) Regulations, 2015, and Section 178 of the Companies Act, 2013.

The composition of the Committee and details of Meetings attended by Directors during the year are given below:

Name of Member	Designation	Category	No. of Meetings	Meetings attended
Mr. Hiten Parikh	Chairman	Independent – Non- Executive Director	2	2
Mr. Kandarp Trivedi	Member	Independent – Non- Executive Director	2	2
Mr. Ankit Mittal	Member	Independent – Non- Executive Director	2	2
Mrs. Aarti Thakkar	Member	Independent – Non- Executive Director	2	2

The Committee met two times during the year on 29th May, 2024 and 9th August, 2025.

The Chairman of the Nomination and Remuneration Committee, Mr. Hiten Parikh was present at the Annual General Meeting of the Company held on 30th September 2025.

Terms of Reference

The terms of reference of the Nomination and Remuneration Committee (NRC) are specified in Clause A of Part D of Schedule II of the Listing Regulations, as outlined below:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

2. For every appointment of an independent director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an ID shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may: a. use the services of an external agencies, if required; b. c. consider candidates from a wide range of backgrounds, having due regard to diversity; and consider the time commitments of the candidates
3. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
4. Devising a policy on diversity of board of directors;
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
6. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
7. To recommend/ review remuneration of the Managing Director(s) and Whole-time Director(s)/ Executive Director(s) based on their performance and defined assessment criteria.
8. To recommend to the board, all remuneration, in whatever form, payable to senior management

Performance Evaluation of Directors and Board

and Disclosure Requirements) Regulations, 2015 a separate exercise was carried out to evaluate the performance of Individual Directors including the Chairman of the Board who were evaluated on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company, the assessment of time devoted by the Board on the Company's long term goals and strategies, Board effectiveness, quality of discussions at the meetings of the Board, time spent and quality of discussions.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The board also carried out annual performance evaluation of the working of its various Committees

The overall outcome of this exercise to evaluate effectiveness of the Board and its Committees was positive and members expressed their satisfaction.

(I) Remuneration Policy

Remuneration to Non-executive Directors

The Non-Executive Directors are paid remuneration by way of Sitting Fees for each Meeting of the Board or Committee of Directors attended by them. The Non-Executive Director/Independent Directors do not have any material pecuniary relationship or transactions with the Company

Remuneration to Executive Directors

The appointment and remuneration of Executive Directors including Chairman and Managing Director and Whole-time Director is governed by the recommendation of the Remuneration & Nomination Committee, Resolutions passed by the Board of Directors and Shareholders of the Company. Payment of remuneration to Executive Directors is governed by the respective Agreements executed between them and the Company. The remuneration package of Chairman and Managing Director and Whole-time Director comprises of salary, perquisites and allowances, and contributions to Provident Fund as approved by the shareholders at the General Meetings. Annual increments are linked to performance and are decided by the Remuneration and Nomination Committee and recommended to the Board for approval thereof. The remuneration policy is directed towards rewarding performance, based on review of achievements.

Presently, the Company does not have a stock options scheme for its Directors.

The Remuneration and Nomination Policy is displayed on the Company's website viz.

www.aarveedenims.com

Details of remuneration of Directors

The details of remuneration paid to Directors for the year ended 31st March, 2025 are as follows:

(Amount in Lacs)

Name of Director	Salaries	Sitting Fees	Total
Mr. Vinod P. Arora-CMD	36	-	36
Mr. Ashish V. Shah-MD	30	-	30
Mr. Kalpesh V. Shah-WTD	18	-	18
Mr. Nipun V. Arora-WTD	12	-	12
Mr. Sanjay S. Majmudar-ID	-	0.50	0.55
Mr. Ashok C. Gandhi-ID	-	0.55	0.55
Mr. Amol R. Dalal-ID	-	0.55	0.55
Ms. Aarti Thakkar ID	-	0.55	0.55

Note: No other remuneration except sitting fee was paid to non-executive directors during the year 2024-25.

With the enhanced Corporate Governance requirements under the Act and the SEBI Listing Regulations, the role and responsibilities of the Board, particularly Independent Directors and Non Executive Directors have become more onerous, requiring greater time commitments, attention and a higher level of oversight.

4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Terms of reference

The CSR Committee is entrusted with formulating and periodically reviewing the CSR Policy to ensure it comprehensively outlines the Company's CSR initiatives, as specified in Schedule VII of the Companies Act, 2013 and relevant Rules. The Committee also provides guidance and oversight on CSR activities undertaken by the Company and monitors their progress.

In compliance with the Section 135 of the Companies Act, 2013, Corporate Social Responsibility (CSR) Committee of the Board has been constituted.

The Board has adopted the CSR Policy as formulated and recommended by the Committee. The same is displayed on the website of the Company.

Composition and attendance during the year

The composition of Committee during the year is given below:

Name of Member	Designation	Category	No. of Meetings	Meetings attended
Mr. Ashish V. Shah	Chairman	Managing Director	1	1
Mr. Vinod P. Arora	Member	Chairman and Managing Director	1	1
Mr. Aarti Thakkar	Member	Independent – Non-Executive	1	1

During the financial year, the provisions of CSR are not applicable to the Company for the

Financial Year under review.

5. RISK MANAGEMENT COMMITTEE

The Company have a voluntary Risk Management Committee which has been entrusted with the responsibility to assist the Board in:

- (a) Overseeing and approving the Company's enterprise wide risk management framework; and
- (b) Overseeing that all the risks that the organization faces such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks have been identified and assessed and there is an adequate risk management infrastructure in place capable of addressing those risks.

A Risk Management Policy was reviewed and approved by the Committee. The Company manages monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company's management systems, organizational structures, processes, standards, code of conduct and behaviors together form the Management System that governs how the company conducts the business of the Company and manages associated risks. The Company has introduced several improvements to Integrated Enterprise Risk Management, Internal Controls Management and Assurance Frameworks and processes to drive a common integrated view of risks, optimal risk mitigation responses and efficient management of internal control and assurance activities. This integration is enabled by all three being fully aligned across Company wide Risk Management, Internal Control and Internal Audit methodologies and processes.

Constitution of the committee is as under:-

Sr No	Name Of Director	DIN	Designation
1	Mr. Vinod P. Arora	00007065	Chairman
2	Mr. Ashish V. Shah	00007201	Member
3	Ms. Aarti Thakkar		Member

Risk Management Policy is being posted on the web site of the company <http://www.aarveedenims.com/wp-content/uploads/2021/03/5.-risk-management-policy.pdf>

IV. MEANS OF COMMUNICATION

- i. The quarterly, half-yearly and yearly financial results are published in the national English newspaper- Indian Express (English) and in Financial Express (Gujarati Edition of Ahmedabad).
- ii. The quarterly results are submitted to the Stock Exchanges, wherein the equity shares of the company are listed and traded, by way of online filing in listing center of such Stock Exchanges.
- iii. The financial results are also posted on the Company's website [www. Aarvee-denims.com](http://www.aarvee-denims.com). There were no presentation made to Institutional Investor or to the analyst during the financial year ended 31st March 2024.

V. GENERAL SHAREHOLDER INFORMATION

The Company is registered in the State of Gujarat having Corporate Identification Number (CIN) as allotted by Ministry of Corporate Affairs (MCA) as L17110GJ1988PLC010504.

I. 36th ANNUAL GENERAL MEETING:

Date	Tuesday, 30th September 2025
Time	01:30 P.M.
Venue	Through physical mode and Video Conferencing/OAVM
Financial Calendar Financial Year For the year ended 31st March 2025, results were announced on: First Quarter: Half Yearly: Third Quarter Fourth Quarter For the year ending 31st March 2026, results will be announced in: For First Quarter Half Yearly Third Quarter Fourth Quarter and Annual	From 1st April 2024 to 31st March 2025 9th August 2024(Limitedly reviewed) 14th November 2024(Limitedly reviewed) 30th January 2025 (Limitedly reviewed) 27th May 2025 (Audited) By 14th August 2025 (Un-audited) By 14th November 2025 (Un-audited) By 13th February 2026 (Un-audited) By 30th May 2026 (Audited)
Date of Book Closure	NA
Dividend Payment Date	NA
Listing on Stock Exchange	The Company's Equity Shares are listed on Bombay Stock Exchange (BSE) and National Stock Exchange of India Ltd (NSE).
Trade Code	514274 of BSE and ARVEEDEN on NSE
Share Division Office	MUFG Intime India Pvt. Ltd 5th Floor, 506 TO 508, Amarnath Business Centre – 1 (ABC-1), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Opp. C G Road, Navrangpura, Ahmedabad - 380009. Tel. Nos.079-26465179, Fax No 079-26465179, Email: ahmedabad@linkintime.co.in
Demat ISIN No.	INE273D01019

II. GENERAL BODY MEETINGS

Location, date and time of the Annual General Meetings and Extra Ordinary General Meetings

held during the preceding 3 years are as under:-

Type of Meeting	Date	Location	Time	No. of Special Resolution passed
EGM	1 st March, 2025	Through Video Conferencing / Other Audio Visual Means	12.00 P.M	1
AGM	30 th September, 2024	Through Video Conferencing / Other Audio Visual Means	11:30 A.M.	3
AGM	30 th September, 2023	Through Video Conferencing / Other Audio Visual Means	11:00 A.M.	3
AGM	29 th September, 2022	Through Video Conferencing / Other Audio Visual Means	11:00 A.M.	2

Special resolutions passed in the previous three (3) annual general meetings and EGM

Sr. No	Type of General Meeting	Date	Details of Special Resolution passed
1	EGM	1 st March, 2025	1. To consider and approve the issue of equity shares by way of Preferential Issue on private placement basis to a person belonging to the Public category.
2	AGM	30 th September, 2024	1. Re-Appointment of Mr. Nipun Arora as Whole Time Director 2. Re-Appointment of Mrs. Aarti Thakkar, as an Independent Director of The Company 3. To Approve Cost Auditors' Remuneration
3	AGM	30 th September, 2023	1.Re-appointment of Mr. Vinod P. Arora as chairman and Managing Director 2.Re-appointment of Mr. Ashish Shah as Managing Director 3.Re-appointment of Mr.

			Kalpesh Shah as Whole time Director
4	AGM	29 th September, 2022	1.To Sale certain Windmill of the Company

- a. The Following resolution were out through Postal Ballot for the F.Y 2024-25:

Particulars of Resolution	Item No.1 Appointment of Mr. Hiten Parikh (DIN 01686215) as Independent Director Item No. 2 Appointment of Mr. Kandarp Trivedi (DIN: 00314065) as Independent Director Item No. 3 Appointment of Mr. Ankit N. Mittal (DIN: 10056094)) as Independent Director	
Name of the Scrutinizer	Mr. Tapan Shah – Practicing Company Secretary	
Date of report of scrutinizer	1 st July, 2024	
Date of declaration of result	1 st July, 2024	
	Item No.:1,2 and 3	
	Number of members voted	Number of votes
Valid votes	78	12956115
In favour	73	12952344
% in favour of the resolution	99.97	
Against	5	3771
% against the resolution	0.03	
Invalid Votes	Nil	

Confirmation on payment of Annual Listing Fees and Custodial Fees:

The Company has duly paid the Annual Listing Fees to both the Stock Exchanges and the Annual Custodial Fees to both the Depositories for the financial year 2024–2025.

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

The 'Whistle Blower Policy' cum Vigil Mechanism is in place which is reviewed by the Audit Committee on regular basis. No personnel have been denied access to the Audit Committee.

Whistle Blower Policy cum vigil Mechanism for directors and employees of the company is available on the website of the company viz., <http://www.aarveedenims.com/wp-content/uploads/2017/02/vigil-machanism.pdf>

FEES PAID TO STATUTORY AUDITORS

Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part if any: Rs. 9.00 lacs

OTHER DISCLOSURES

(i) All transactions entered into with Related parties as defined under the Companies Act, 2013 and Regulation 23 of the SEBI Listing Regulations during the financial year 2024-25 were undertaken in compliance with aforesaid regulatory provisions. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company.

(ii) There has been no non-compliance by the Company on any matter related to capital markets. Hence the question of penalties or strictures being imposed by SEBI or the Stock Exchanges or any other statutory authorities does not arise.

(iii) CFO Certification: In absence of CFO as on the end of Financial year, the Managing Director have certified to the Board in accordance with Part B of Schedule II to the Listing Regulations pertaining to certification for the Financial Year ended 31st March, 2025.

(iv) Risk Management Policy: The Company has a well-defined risk management framework in place. The Company periodically places before the Audit Committee and the Board, the key risks and the risk assessment and mitigation procedures followed by the Company.

(v) The Company has complied with all the mandatory and non-mandatory requirements of the Listing Regulations relating to Corporate Governance and also complied with Clauses (b) to (i) of Regulation 46 (1) & (2) relating to the dissemination of information on the website of the Company except of the composition of the board and for which the company has already received the waiver of penalty from Bombay Stock Exchange and duly paid the penalty to National Stock Exchange.

(i) The status of compliance with the non-mandatory requirements listed in Part E of Schedule II of the Listing Regulations is as under:

The following non-mandatory requirements have been adopted by the Company:

- a. Financial statements of Company are unqualified and Members' attention is invited to the observation made by the Auditors under "Emphasis of Matter" appearing in the Auditors' Report.
- b. The Company has appointed separate persons to the posts of Chairman and Managing Director.
- c. The Internal Auditors report directly place to the Audit Committee.

(vii) The policy on dealing with related party transactions is disclosed on the Company's website at the following web link: <http://www.aarveedenims.com/investors/corporate-governance/>

(viii) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- a. number of complaints filed during the financial year NIL
- b. number of complaints disposed of during the financial year NIL
- c. number of complaints pending as on end of the financial year. NIL

GREEN INITIATIVE IN CORPORATE GOVERNANCE

Rule 11 of the Companies (Accounts) Rules, 2014 permits circulation of annual report through electronic means to those shareholders whose e-mail IDs are registered with NSDL or CDSL or the shareholders who have registered their e-mail IDs with the Company to receive the documents in electronic form and physical copies to those shareholders whose e-mail IDs have not been registered either with the Company or with the depositories.

To support this green initiative of the Government, shareholders are requested to register their e-mail ID with the DPs, in case shares are held in dematerialized form and with the RTA, in case the shares are held in physical form and also intimate changes, if any, in their registered e-mail IDs to DPs / RTA/ Company from time to time.

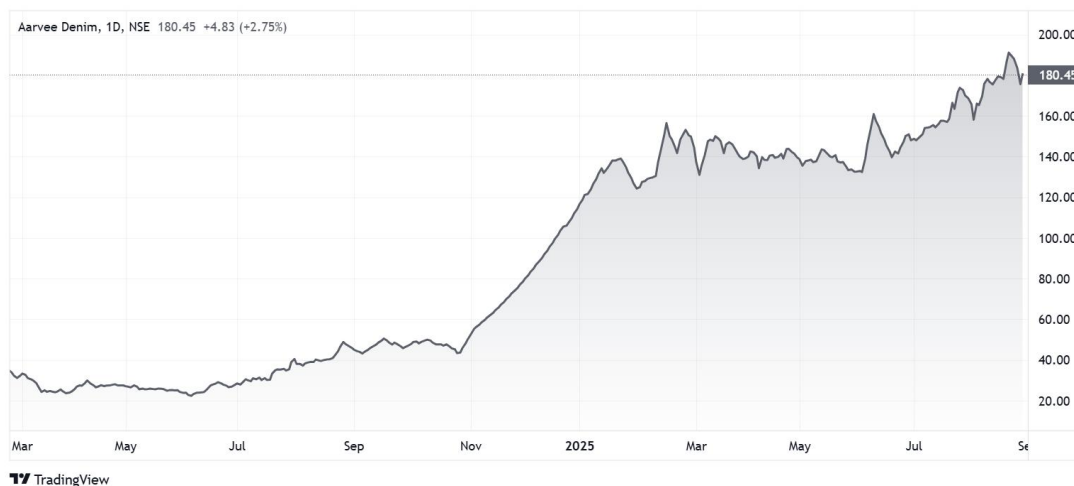
ACCOUNTING STANDARDS

The Company has duly followed the accounting standards laid down by the Institute of Chartered Accountants of India. The Company has complied with the mandatory requirements of corporate governance as required by the provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

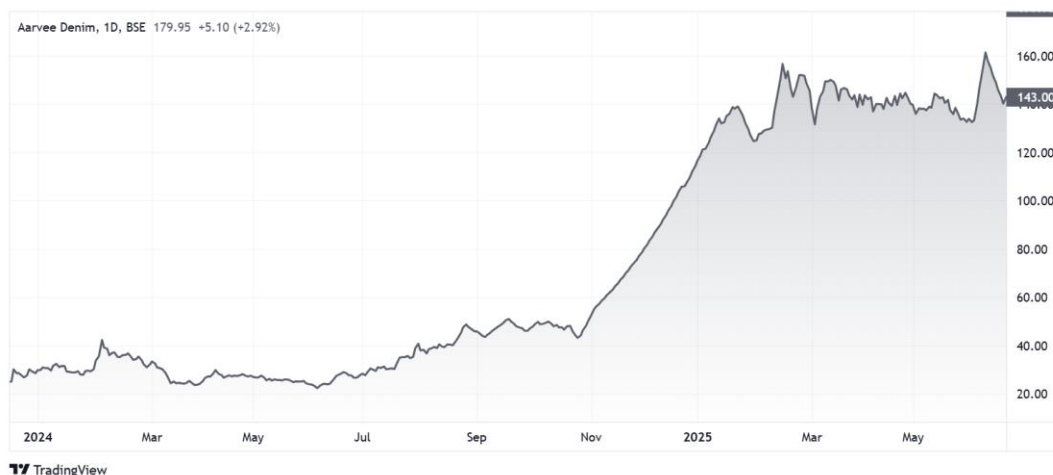
Market Price Data:

MONTH	BSE			NSE		
	High (Rs.)	Low (Rs.)	Turnover	High (Rs.)	Low (Rs.)	Turnover
Apr-24	29.87	23.81	6595209	30.03	23.3	904189
May-24	28.7	23.5	5219592	27.75	23.85	24546275
Jun-24	29.99	22.13	4212173	30.02	28.4	35256359
Jul-24	41.9	27.55	22868213	41.70	27.52	139277745
Jul-24	41.9	27.55	22868213	41.70	27.52	139277745
Aug-24	49.91	36.00	39108603	48.79	35.56	76413075
Sep-24	51.44	43.5	31169909	51.49	43.12	43203144
Oct-24	50.49	42.01	14598299	50.05	41.25	25668286
Nov-24	77.09	50	21240413	76.96	52.00	23378686
Dec-24	114.17	78.63	96276576	114.17	78.49	111134216
Jan-25	140.5	116.4	80248771	141.00	116.45	201242015
Feb-25	159.9	127.5	45859115	159.90	127.50	209554025
Mar-25	157.04	130	21612650	155.00	130.00	96473580

Aarvee Denims share price - NSE



Aarvee Denims share price - BSE



Share Transfer System : As per the SEBI guidelines shares are transferred by the aforesaid Registrars & Transfer Agent. The transfers are normally processed within 10-12 days from the date of receipt, if the documents are complete in all respects.

Registrar & Transfer Agent : MUFG Intime India Pvt. Ltd
5th Floor, 506 TO 508, Amarnath Business Centre
– 1 (ABC-1), Beside Gala Business Centre, Nr. St.Xavier's
College Corner, Opp.

C G Road, Navrangpura, Ahmedabad - 380009.
Tel. Nos.079-26465179, Fax No 079-26465179,
Email: ahmedabad@linkintime.co.in

i. Secretarial Audit

a. Mr. Tapan Shah, Practicing Company Secretaries have conducted a Secretarial Audit of the Company for the year 2024-25. His Audit Report confirms that the Company has complied with the applicable provisions of the Companies Act, 2013 and the Rules made there under, Listing Agreements with the Stock Exchanges, Listing Regulations, applicable SEBI Regulations and other laws applicable to the Company. The Secretarial Audit Report forms part of the Board's Report.

b. Pursuant to Regulation 40 (9) of the Listing Regulations, certificates have been issued on yearly basis, by a Company Secretary in practice, certifying due compliance of share transfer formalities by the Company.

c. A Company Secretary in practice carries out a quarterly Reconciliation of Share Capital Audit pursuant to the Regulation 55A of the SEBI (Depositories and Participant) Regulation, 1996, to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. The audit confirms that the total issued/ paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

ii. Distribution of Shareholding as on 31-03-2025

Sr. No.	Category (Shares)	Shareholders		Shareholding	
		Numbers	Percentage	Numbers	Percentage
1	1-500	9171	88.46	940781	4.01
2	501-1000	503	4.85	408799	1.74
3	1001-2000	253	2.44	386728	1.65
4	2001-3000	115	1.10	298910	1.27
5	3001-4000	59	0.57	213153	0.90
6	4001-5000	59	0.57	278442	1.18
7	5001-10000	86	0.82	607523	2.58
8	Above 10000	121	1.17	20325464	86.64
	Total	10367	100.0000	23459800	100

i. Shareholding Pattern as on 31-03-2025

Category Wise Holdings Summary		
Category	Total Securities	%-Issued Capital
Corporate Bodies (Promoter Co)	6953978	29.6421
Clearing Members	4582	0.0195
Other Bodies Corporate	545492	2.3252
Hindu Undivided Family	245341	1.0458
Non Nationalised Banks	300	0.0013
Non Resident Indians	139018	0.5926
Non Resident (Non Repatriable)	16815	0.0717
Public	12871902	54.8679
Promoters	2141785	9.1296
Trusts	79900	0.3406

Body Corporate - Ltd Liability Partnership	58500	0.2494
FPI (Corporate) – I	824	0.0035
Investor Education And Protection Fund	385363	1.6427
Alternate Invst Funds – III	16000	0.0682
TOTAL	23459800	100

iii. **Dividend declared for the last 10 years: NIL**

iii. **Dematerialization of Shares and liquidity**

Electronic/ Physical	No of Shares	Percentage %
CDSL	1,10,76,954	47.22
NSDL	1,21,19,643	51.66
Physical	2,63,203	1.12
TOTAL	2,34,59,800	100.00

As on 31st March, 2025, 23196597 (98.87%) Equity Shares of the Company were dematerialized. 100% promoters share holdings are in dematerialized form.

iv. **Plant Location**

a. **Registered Office and Vijay Farm Unit**

191, Shahwadi, Nr. Old Octroi Naka, Narol – Sarkhej Highway, Ahmedabad-382 405

b. **Narol Unit**

188/2, Ranipur Village, Opp. CNI Church, Narol, Ahmedabad-382 405

v. **Address for correspondence**

In case any problem or query, shareholders can contact at:

Company Secretary

Abira Mansuri

Aarvee Denims and Exports Limited

188/2, Ranipur Village, Opp. CNI Church, Narol, Ahmedabad-382 405

Phone : 91-079- 68147000

Fax : 91-079- 68147070

Email : cs@aarveedenims.com

Shareholders may also contact Company's Registrar & Share Transfer Agent at:

Name : MUFG Intime India Pvt. Ltd.

Address : 5th Floor, 506 TO 508, Amarnath Business Centre – 1 (ABC-1), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off C G Road, Navrangpura, Ahmedabad - 380009.

Phone : 91-079- 26465179

Fax : 91-079- 26465179

Email : ahmedabad@linkintime.co.in

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participant.

a) Outstanding GDRs / ADRs / Warrants or any convertible instrument, conversion and likely impact on equity: NIL

b) **Electronic Voting:**

Pursuant to section 108 and other applicable provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and other applicable requirements, voting at the 36th Annual General Meeting will be made through electronic voting. The remote electronic voting ("E-Voting") period will be from 9.00 a.m. on 27th September 2025 to 5.00 p.m. on 29th

September 2025, both days inclusive.

c) Disclosure of material transactions

In terms of Regulation 26(5) of the SEBI LODR Regulations, Senior Management has made disclosure to the Board relating to all material financial and commercial transactions, if any, where they had personal interest that might have been in potential conflict with the interest of the Company. Based on disclosures received, none of the officials in senior management team of the Company have personal interest in any financial or commercial transactions that may have potential conflict with the interest of the Company.

d) Disclosures of the Compliance with corporate governance under Regulations 17 to 27 of the SEBI LODR Regulations except those which are already disclosed elsewhere in this report:

i. Orderly succession to Board and Senior Management: The Board had satisfied itself that in the event of a requirement for addition/succession at the Board level or in the Senior Management, there is a process in place.

ii. Information supplied to the Board

The Board is presented with relevant information on various matters related to the working of the Company, especially those which are critical and require deliberation for arriving at a decision or for resolving an issue. In addition to the items which are required to be placed before the Board for its noting and/or approval, information is properly provided on various significant matters.

In terms of quality and importance, the information supplied by the management to the Board of Directors of the Company is precise and provided with relevant details that is necessary for the directors to enable them to fulfill their duties. The Independent Directors of the Company expressed satisfaction on the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

iii. Compliance Certificate

The MD and Whole time Director have certified to the Board with regard to the financial statements and other matters as required under Regulation 17(8), read with Part B of Schedule II to the SEBI LODR Regulations and the same is given in this Annual Report.

iv. Report on Corporate Governance

This section, read together with the information given in the Board's Report, Management Discussion and Analysis section and General Shareholder Information, constitute the compliance report on Corporate Governance during the year. The company submits the quarterly compliance report on regular basis to the stock exchanges as required under Regulation 27 of the SEBI LODR Regulations.

v. Certificate from Practicing Company Secretary on compliance of Corporate Governance conditions

The Company has obtained the Certificate from a Practicing Company Secretary regarding compliance with the provisions relating to corporate governance laid down in Part E of Schedule V to the SEBI LODR Regulations along with some qualifications and the Certificate to the effect that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Director of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

These Certificate(s) are annexed to the Board's Report and will be sent to the stock exchanges, along with the Annual Report to be filed by the Company.

46(2)(b) TO (I) OF COMPLIANCE OF CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND REGULATION LISTING REGULATION

Sr. No.	Particulars	Regulation	Compliance status Yes/ No/N.A	Compliance observed for the following
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Board of Directors	17	Yes	➤ Composition ➤ Meetings ➤ Review of compliance report ➤ Plans for orderly succession for appointments ➤ Code of Conduct ➤ Fees/compensation to Non-Executive Directors ➤ Minimum information to be placed before the Board ➤ Compliance Certificate ➤ Risk assessment and management ➤ Performance evolution of Independent Directors
Audit Committee	18	Yes	➤ Composition ➤ Meetings ➤ Power of the Committee ➤ Role of the Committee and review of information by the Committee
Nomination and Remuneration Committee	19	Yes	➤ Composition ➤ Role of the Committee
Stakeholders' Relationship committee	20	Yes	➤ Composition ➤ Role of the Committee
Risk Management Committee	21	Yes	➤ Composition (Adopted Voluntarily) ➤ Role of the Committee
Vigil Mechanism	22	Yes	➤ Formulation of Vigil Mechanism for Directors and employees ➤ Director access to Chairperson of Audit Committee
Related Party Transaction	23	Yes	➤ Policy on Materiality of Related party Transactions and dealing with Related Party Transactions ➤ Approval including omnibus approval of Audit Committee ➤ Review of related Party Transactions

	Subsidiaries of the Company	24	Yes	➤ There was no material subsidiary of the Company and as a result the other compliance in respect of material subsidiary were not applicable ➤ Review of financial statements of unlisted subsidiary by the Audit Committee was not applicable ➤ Significant transactions and arrangement of unlisted subsidiary was not applicable
	Obligation with respect to Independent Directors	25	Yes	➤ Maximum Directorship and tenure ➤ Meeting of Independent Directors ➤ Familiarization of Independent Directors
	Obligation with respect to Directors and Senior Managements	26	Yes	➤ Memberships/ Chairpersonship in Committees ➤ Affirmation on Compliance of Code of Conduct by directors and Senior Management ➤ Disclosure of shareholding by Non-Executive Directors ➤ Discloser by Senior Management about potential conflicts of interest
	Other Corporate Governance requirements	27	Yes	➤ Compliance with discretionary requirements ➤ Filing of quarterly compliance report on Corporate Governance

	Website	46(2) (b) to (i)	Yes	➤ Terms and conditions for appointment of Independent Directors ➤ Composition of various Committees of the Board of Directors ➤ Code of Conduct of Board of Directors and Senior Management personnel ➤ Details of establishment of Vigil Mechanism/ Whistle Blower policy ➤ Policy on dealing with Related Party Transactions ➤ Policy for determining material subsidiaries ➤ Details of familiarization programmes imparted to Independent Directors
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e) Foreign exchange risk and hedging activities

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign exchange risk through its sales and purchases from overseas suppliers in foreign currencies. The company measures risk through sensitivity analysis.

Annexure to Corporate Governance Report

To,

The Members of Aarvee Denims and Exports Limited

Declaration by the Managing Director under Para D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We, hereby declare that that all the members of the Board of Directors and senior management personnel have affirmed compliance with the Code of Conduct, as applicable to them, for the year ended 31st March, 2025 .

Date: 03.09.2025

Place: Ahmedabad

Jaimin Kailash Gupta
(Chairman & Managing Director)

CERTIFICATION

(Pursuant to Regulation 17(8) of (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Board of Directors

We hereby certify that:

a. We have reviewed Financial Statements and the Cash Flow Statement for the year ended 31st March 2025 and that to the best of our knowledge and belief:

i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

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

c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d. We have indicated to the auditors and the Audit committee –

i. significant changes in internal control over financial reporting during the year;

ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: 03.09.2025

Place: Ahmedabad

Jaimin Kailash Gupta

Managing Director

**Jignesh
Parmar
CFO**

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

Registration No.: L17110GJ1988PLC010504

Nominal Capital: Rs. 50,000,0000/-

To,
The Members of
AARVEE DENIMS & EXPORTS LIMITED
188/2, Ranipur Village,
Opp. CNI Church,
Narol, Ahmedabad, Gujarat, India, 382405

I have examined the compliance of conditions of corporate governance by **AARVEE DENIMS & EXPORTS LIMITED**, for the year ended on March 31, 2025 as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, amended from time to time, pursuant to the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. My examination was limited to procedures and implementation thereof, adopted by the Company, for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me and the representations made by the Directors and the Management, I certify that the Company has generally complied with the mandatory conditions as stipulated in above mentioned Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, pursuant to the Listing Agreement of the said Company with stock exchanges, *except the Company had delayed in reporting under Regulations 24A of SEBI (LODR) Regulations, 2015, for which Stock Exchange has imposed financial penalty.*

I further state that such compliance is neither an assurance as to the future viability of the Company nor efficiency or effectiveness with which the management has conducted the affairs of the Company.

This certificate is issued solely for the purposes of complying with the aforesaid Regulations and may not be suitable for any other purpose.

Place: Ahmedabad
Date: 03/09/2025

Name of Company Secretary: **TAPAN SHAH**
Membership No.: **FCS4476**
C P No. : **2839**
UDIN : **F004476G001152975**
PR No.: **6457/2025**

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
AARVEE DENIMS AND EXPORTS LTD
CIN : L17110GJ1988PLC010504
188/2, Ranipur Village,
Opp. CNI Church,
Narol, Ahmedabad, Gujarat, India, 382405

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of AARVEE DENIMS AND EXPORTS LTD, having CIN: L17110GJ1988PLC010504 and having present registered office (w.e.f. 15/07/2025) at 188/2, Ranipur Village, Opp. CNI Church, Narol, Ahmedabad, Gujarat, India, 382405 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, amended from time to time.

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

Sr. No.	Name of Director	DIN	Date of appointment in Company as per MCA records
1.	Nipun Vinodkumar Arora	00989835	11/08/2018
1.	Kalpesh Virendrabhai Shah	00007262	01/10/2010
2.	Ashish Shah	00007201	28/03/1988
3.	Vinod Parmanand Arora	00007065	01/10/2010
4.	Aartiben Pravinbhai Thakkar	08603909	14/11/2019
5.	Hiten Mukundbhai Parikh	01686215	01/04/2024
6.	Kandarp Gajendra Trivedi	00314065	01/04/2024
7.	Ankit Naresh Mittal	10056094	01/04/2024

: 2 :

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

Place: Ahmedabad
Date: 03-092025

Name: **Tapan Shah**
Membership No.: **FCS4476**
CP No.: **2839**
UDIN: **F004476G001152953**
PR No.: **6457/2025**

MANAGEMENT DISCUSSION AND ANALYSIS

Global Economy

Amid a turbulent socio-political and economic landscape, the world economy showcased impressive resilience in CY 2024, with a 3.3% growth rate. The growth was supported by downward inflation trends. Inflation declined from 6.6% in CY 2023 to 5.7% in CY 2024, largely as a consequence of falling energy prices and stringent monetary policies that have been implemented by most countries. Growth remained divergent across regions. The US economy on the back of strong underlying demand and a strong labour market exhibited steady growth. Conversely, economies in the eurozone such as Germany navigated consumption slowdown.

The economy of China navigated issues in its property sector and witnessed a weaker than expected growth. The global economy is forecasted to witness a moderate growth 2.8% in CY 2025 and 3% in CY 2026. It is expected that advanced economies will reach their inflation targets faster than developing economies. Inflation expected to be at 4.3% on average in CY 2025. With the recent imposition of tariffs by the US government and rising protectionist policies in various regions, the stability of global trade continues to be threatened. Despite these challenges, businesses are exploring new markets to bolster their supply chains, which is providing developing markets with opportunities. With supportive policy frameworks and technological innovation, the global economy is well-positioned to navigate challenges and capitalise on emerging opportunities.

Statements in the Directors' Report & Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include raw material availability and its prices, cyclical demand and pricing in the Company's principle markets, changes in Government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other ancillary factors.

Indian Economy

In FY 2025, the economy of India recorded a growth of 6.5%.¹ Despite a volatile economic landscape the nation retained its position as one of the fastest growing economies in the world. This growth was facilitated by robust performance across sectors, such as services, manufacturing and the agriculture. Rural demand remained robust, while urban demand moderated during the year under review. The headline CPI inflation averaged 4.6%, remaining within the Reserve Bank Of India (RBI) target range and enabling a follow-up 100 basis-point reduction in the repo rate till June 2025, to 5.5%. Moreover, the total FDI received by India was USD 67.7 billion, increasing from USD 60.2 billion in FY 2024. Additionally, the chemical industry in India was allowed 100% FDI under the automative route. This played a critical role in supporting the growth and development.

The outlook for the economy of India remains optimistic. The nation is projected to sustain the growth momentum at 6.5% for FY 2025-26 This is expected to be supported by strong domestic and foreign investments, expanding manufacturing activity and growth in trade and financial services. The government's sustained emphasis on capital expenditure, rising rural demand and the rapid development of both digital and physical infrastructure are likely to further drive economic progress. The growth in India's manufacturing infrastructure is likely to position it as a global manufacturing hub.

OVERVIEW OF INDIAN TEXTILE MARKET

The Indian textile market in the financial year 2024–25 has shown signs of steady recovery and growth, driven by rising domestic demand, favorable government policies, and expanding export opportunities. With India maintaining its position as one of the world's largest producers of cotton and textiles, the sector has benefited from increased investment in modernization, digital transformation, and sustainability initiatives. The Production Linked Incentive (PLI) scheme and other government support measures have encouraged capacity expansion and innovation, especially in technical textiles and man-made fibers. Export performance improved moderately despite global headwinds, with key markets like the US and EU showing gradual revival. The domestic retail and fashion segments witnessed robust demand, fueled by urbanization, e-commerce penetration, and shifting consumer preferences. Overall, the Indian textile industry in FY 2024–25 demonstrated resilience and adaptability, positioning itself for stronger global competitiveness in the coming years.

FINANCIAL RESULTS AND OUTLOOK:

Financial performance

REVIEW OF OPERATIONS

(Rs. in Lacs)

Particulars	Year ended 31.03.2025	Year ended 31.03.2024
Revenue from Operations	4245.29	8472.66
Profit before tax	3281.40	(7296.46)
Profit after Tax from continuing and discontinued operations	1854.39	(4461.64)

REVENUE

There has been a decreased in Revenue from operations from Rs. 8472.66 lacs to Rs. 4245.29 lacs due to market conditions.

RAW MATERIAL

Raw material consumption decreased from Rs. 4892.89 lacs to Rs.742.28 lacs due to decreased in production activities.

FINANCE COSTS

Finance cost reduced to Rs. 4590.15 lacs from 1284.39 Lacs during the previous year.

OTHER EXPENSES

Other expenses increased from Rs. 2340.96 Lacs to Rs.4074.87 Lacs during previous year mainly due to reduced operational turnover

WORKING CAPITAL

The Company has reduced the working capital limit during the process of Asset monetization and Debt Reduction plan.

RISKS AND CONCERNS

The company has an effective framework for assessment and mitigation of the risk. The management of the Company identifies, reviews and develops a plan for reducing risks. Current global and domestic headwinds need to be closely monitored for their impact on the business operations. The Company

has put in place appropriate measure for its mitigation including business portfolio risk, financial risk and legal risk and internal process risk.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place Its Internal controls system as per the industry standards. The internal control systems of the company are commensurate with the size and nature of its business activities. There is a proper system to safeguard the interests of the company. The Board of Directors and Audit Committee are responsible for ensuring that the Internal Controls system laid down by the Company is adequate and operating effectively by reviewing at regular intervals. Internal Control system is in line with compliances requirement and expectations of business associates like customers, institutions and society at large.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company considers its human resources as one of the most valuable resources available to the Company. The Company continues to provide them with a safe and excellent working environment. During the financial year under review the company has maintained peaceful and harmonious industrial relations.

CAUTIONARY STATEMENT

Statements of Management Discussion and Analysis Report hereinabove may contain certain forward-looking objectives, based on various assumptions on the Company's present and future business strategies and the environment in which we operate. Actual results may differ substantially or materially from those expressed or implied due to risk and uncertainties. The operations of the Company could be influenced by various factors such as domestic and global demand and supply conditions affecting sales volumes and selling prices of finished goods, input availability and cost, new regulations and Government policies, Tax Laws within the country and other factors like litigation and industrial relations of the Company.

For and on behalf of the Board

Place: Ahmedabad

Date: 03.09.2025

Jaimin Kailash Gupta
Chairman and Managing Director

DIN: 06833388

INDEPENDENT AUDITOR'S REPORT

To The Members of
Aarvee Denims and Exports Limited

Report on the audit of the Standalone Ind AS Financial Statements: -

Opinion: -

We have audited the accompanying standalone Ind AS Financial Statements of **M/s Aarvee Denims and Exports Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2025, the Statement of Profit and Loss and the Cash Flow Statement, Statement of changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information. (Collectively referred to as '**standalone financial statements**').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2025, its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for opinion: -

We conducted our audit in accordance with the standards on auditing specified under section 143

(10) of the Companies Act, 2013. Our

Responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS Financial Statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter: -

1. Attention is invited to Note No. 47 of the audited financial results regarding disclosures made under MSMED Act, 2006. We have relied upon and accepted the information/data prepared and submitted by the management as such.
2. Attention is invited to Note No. 36 of the audited financial results regarding disclosure of Employee benefit made as per IND AS 19 in respect of gratuity & Leave encashment. We have relied upon and accepted the information/communication submitted by the management as such.

Our opinion is not modified in respect of above matter.

Key audit matters: -

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

The Key Audit Matter	How the matter was addressed in our audit
Recognition of Deferred tax assets, including Minimum Alternate Tax (MAT) credit entitlement. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized. The Company's ability to recognize previously un-recognized deferred tax assets is assessed by the management at the end of each reporting period, taking into account forecasts of future taxable profits and the applicable tax laws. As at March 31, 2025 the Company has recognized total deferred tax assets (net) amounting to Rs. 6,725.44 lakhs (including Rs.802.49 lakhs of Minimum Alternate Tax credit entitlement). The recognition of deferred tax asset is a key audit matter as its recoverability within the allowed time frame involves significant estimate of the financial projections, availability of sufficient taxable income in the future and significant judgements in the interpretation of tax regulations and tax positions adopted by the Company.	Our audit procedures to test the recognition of deferred tax assets (including MAT credit entitlement) included the following: Read and understood the Company's accounting policies with respect to recognition of deferred taxes and for assessing compliance with Ind AS 12 'Income Taxes'. We have evaluated the Company's tax positions by assessing the prevalent tax laws and compared the current position with prior years and past precedents. Assessed the consistency of data used in the deferred tax assets amount calculation and other facts as explained by the senior management of the Company. We assessed the disclosures in Note: 48 of the Ind AS financial statements in accordance with the requirements of Ind AS 12 'Income Taxes'.

Information other than the Ind AS Financial Statements and auditors' report thereon: -

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to

Board's Report, Business Responsibility Report but does not include the Ind AS Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS

Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Ind AS Financial Statements: -

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows, statement of changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2016, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the audit of the Ind AS Financial Statements: -

Our objectives are to obtain reasonable assurance about whether the Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS Financial Statements.

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

- Identify and assess the risks of material misstatement of the Ind AS Financial Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedure that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of the accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS Financial Statements, including the disclosures, and whether the Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone Ind AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone Ind AS Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our works; and (ii) to evaluate the effect of any identified misstatements in the standalone Ind AS Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters

that were of most significance in the audit of the Ind AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstance, we determine that a matter should not be communicate in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements: -

1. As required by the Companies (Auditor's Report) Order, 2020 ('The Order') issued by the Central Government of India in terms of subsection 11 of section 143 of the Act, we give in the **Annexure – A**, a statement on the matter specified in the paragraph 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of changes in equity, and the cash flow statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2016, as amended;
 - (e) On the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of directors is disqualified the as on 31st March, 2025 from being appointed as a director in terms of Section 164(2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls; refer to our separate report in **Annexure – B**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(6) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has no pending litigations which can significantly impact its financial position-Refer Note 38 of financial statement.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- iii. The company is not required to transfer any amount to the Investor Education and Protection fund.
- iv.
 - a.) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b.) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c.) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- v. No dividend is declared or paid during this year by the company; hence requirement of this clause is not applicable to the company and hence not commented thereon.
- vi. Based on our examination, which included test checks, the company has used accounting software systems for maintaining its books of account for the financial year ended March 31,2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

**For, M/s Pankaj R. Shah &
Associates Chartered
Accountants
(Registration No. 107361W)**

**CA Nilesh Shah
Partner
(Membership No. 107414)
UDIN: 25107414BMGIRZ3467
Place: Ahmedabad
Date: 27.05.2025**

ANNEXURE - A” TO THE INDEPENDENT AUDITORS’ REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF AARVEE DENIMS AND EXPORTS LIMITED

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirements of our report of even date to the Ind AS Financial Statements of the Company for the year ended March 31, 2025:

1. In respect of its Property, Plant and Equipment and Intangible Assets:

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
- b) The Company has maintained proper records showing full particulars of intangible assets.
- c) As explained to us, the Property, Plant and Equipment and right-of-use assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. No material discrepancies were noticed on such physical verification.
- d) According to the information and explanations given to us and on the basis of our examination of the records of the Company and based on the examinations of the registered sale deed/transfer deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings, are held in the name of the Company as at balance sheet date. Immovable properties of land and buildings whose title deeds have been pledged as security for loans are held in the name of the Company based on confirmations received from lenders. Pursuant to lease deed agreement entered in to by the company with lessors, the company had acquired immovable property i.e., Land and building on lease hold basis and therefore the question of title deeds of immovable properties in the name of the company does not arise. In respect of immovable properties of land and buildings that have been taken on lease, the lease agreements are in the name of the company, where the company is the lessee in the agreement.
- e) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- f) As explained to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

2. In respect of its Inventories:

(a) As explained to us, physical verification of the inventories has been conducted at reasonable intervals by the management, which in our opinion is reasonable, having regard to the size of the Company and nature of its inventories. As explained to us, the discrepancies noticed on such verification between the physical stocks and book records were not significant and the same have been properly dealt with in the books of account.

(b) According to information and explanation given to us and relevant records produced, the company has been sanctioned working capital in excess of Rs. 5 crores. Copies of quarterly statements and returns, furnished to banks have been also made available for verification except the statement for March-25. We have verified the same on random sampling basis and found the same in agreement with books of accounts. Discrepancies noticed during such verification, were reasonably explained by management.

3. In Respect of Loans and Advances:

- (a) During the year, the company has provided guarantee to other parties for which details are as follows:

Aggregate Amount during the year	Guarantee(Rs.)
Subsidiary	-
Others	-
Balance outstanding as at the balance sheet date	
Subsidiary	-
Others	17336220

4. In our opinion and according to the information and explanations given to us, during the year under review, the company has not made any investments or granted any loans or provide guarantees or securities and therefore, the question of compliance as to the provisions of Section 185 and 186 of the Act, does not arise. Accordingly, the provisions of clause 3 (IV) of the Order are not applicable to the Company.
5. According to the information and explanations given to us, the company has generally complied with the provisions of Sections 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules, 2014 (as amended) except there was a shortfall in investing in "Liquid Assets". According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or The Reserve Bank of India or any Court or any other Tribunal.
6. With reference to the compulsory cost records to be maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government of India under section 148 of the Companies Act, 2013, the Company has complied with the same.
- 7. In respect of Statutory Dues:**
- The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess, GST and other statutory dues applicable to it.
 - According to the information and explanation given to us, there are no dues of Goods and Service Tax, sales tax, income tax, custom duty, wealth tax, service tax, excise duty and cess which have not been deposited on account of any dispute except for the following:

Sr.No.	Name of the opposing party	Date of initiation of the litigation / dispute	Status of the litigation / dispute as per last disclosure	Current status of the litigation / dispute
1	Commissioner of Income Tax (Appeal)	12/17/2018	N.A	Appeal effect order to be passed by the Department
2	Commissioner of Income Tax (Appeal)	3/12/2013	N.A	Appeal effect order to be passed by the Department
3	Commissioner of Income Tax (Appeal) & ITO	3/25/2022	N.A	Matter is pending with commissioner of IT (Appeal) and ITO
4	Asst. CIT, Circle (International taxation)	11/30/2023	N.A	Matter pending with commissioner of IT (Appeal)
5	Jt. Commissioner State Tax (Appeal) (2015-16)	9/26/2024	N.A	Appeal effect order is to be passed based on order from joint commissioner office in favour of company
6	Asst. Commissioner of State Tax (2016-17)	2/17/2021	N.A	Demand would be finalised after appeal effect order of previous year.
7	STO (2) Mobile Squad Shamlaji (2018-19)	11/17/2018	N.A	Appeal to Jt. Commissioner (A) State Tax is made and pending.

8. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
9. (a) In our opinion and according to the information and explanations given to us, the Company has defaulted in the payment of installment & interest of the loans to banks amounting to Rs. 3.26 Crores for the quarter ended on 30.06.2024.
During the year, the Company has not taken any loan either from financial institutions or from the government and has not issued any debentures, except from Banks and its Directors.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) On the basis of review of utilization of funds pertaining to term loans on an overall basis and related information made available to us, the term loans taken by the Company have been applied for the purpose for which they are obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its

subsidiaries as defined under the Companies Act, 2013 and hence reporting on Clause 3(ix) (f) of the Order is not applicable.

10. **(A)** The company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
(b) During the year under review, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x) (b) of the Order is not applicable.
11. **(a)** During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
(c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Ind AS Financial Statements as required by the applicable Ind AS.
14. **(A)** in our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
15. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
16. **(a)** In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.
(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi) (d) of the Order is not applicable.
17. The Company has not incurred cash losses in current year however company had incurred cash loss amounting 3291.14 lakhs in F.Y-2023-24.
18. There has been no resignation of the statutory auditors of the Company during the year.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets

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

20. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx) (a) of the Order is not applicable for the year.

(b) As there is no unspent amount towards Corporate Social Responsibility (CSR) at the end of previous financial year, the provision of section 135(6) of the Companies Act, 2013 is not applicable.

21. As the company does not have any subsidiary, associate or joint venture, clause (xxi) is not applicable to the company, hence not commented upon.

**For, M/s Pankaj R. Shah &
Associates Chartered
Accountants
(Registration No. 107361W)**

**CA Nilesh Shah Partner
(Membership No. 107414)
UDIN: 25107414BMGIRZ3467
Place: Ahmedabad
Date: 27.05.2025**

“ANNEXURE - B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF AARVEE DENIMS AND EXPORTS LIMITED

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143

OF THE COMPANIES ACT, 2013 (“THE ACT”)

We have audited the internal financial controls over financial reporting of **AARVEE DENIMS AND EXPORTS LIMITED** (“the Company”) as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls:

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For, M/s Pankaj R. Shah &
Associates Chartered
Accountants
(Registration No. 107361W)**

**CA Nilesh Shah
Partner (Membership No. 107414)
UDIN: 25107414BMGIRZ3467
Place: Ahmedabad
Date: 27.05.2025**

1 Corporate Information

AARVEE DENIMS AND EXPORTS LIMITED ("the company") is a public company domiciled in India and incorporated under the provisions of the Companies Act, 2013 ("the Act" erstwhile Companies Act, 1956). The registered office of the Company is located at 191, Moje Shahwadi, Narol- Sarkhej Highway, Ahmedabad 382 405. Its equity shares are listed on two stock exchanges in India. The company is engaged in the manufacturing and selling of denim and non denim Fabrics. The company caters to both domestic and international markets.

2.1 Material Accounting Policy Information

a Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as issued under the Companies (Indian Accounting Standards) Rules, 2015.

The standalone Ind AS financial statements are presented in Indian Rupees and all values are rounded to the nearest lakh (Rupees 00,000), except where otherwise indicated. Any discrepancies in any table between totals and sums of the amounts listed are due to rounding off.

b Basis of preparation of Financial Statement

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

c Property, plant and equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Freehold land is not depreciated.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost of assets (other than freehold land & properties under construction) less their residual values over their useful lives, as indicated in the Companies Act, 2013, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. However, in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement,

anticipated technological changes, manufacturers warranties and maintenance support, etc.:

Particulars	Depreciation
Plant & Machineries	Over the period of 10 to 40 years as technically assessed

Depreciation on additions to / deletions from fixed assets made during the period is provided on pro-rata basis from / up to the month of such addition / deletion as the case may be.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date (except to the extent of any adjustment permissible under other accounting standard).

Intangible Assets

Intangible Assets are stated at cost of acquisition less accumulated amortization and accumulated impairment, if any. Amortization is done over their estimated useful life on straight line basis from the date that they are available for intended use, subjected to impairment test.

Amortisation in respect of Intangible assets is provided on Straight Line basis over the period of under lying contract or estimated period of its economic life.

d Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

e Non-current assets held for sale and discontinued operations.

The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

The criteria for held for sale classification is considered to have met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sale of such assets (or disposal groups), its sale or distribution is highly probable; and it will genuinely be sold, not abandoned. The group treats sale of the asset or disposal group to be highly probable when:

- i) The management is committed to a plan to sell the asset (or disposal group),
- ii) An active programme to locate a buyer and complete the plan has been initiated (if applicable),

- iii) The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- iv) The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- v) Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale/ distribution are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- 1) represents a separate major line of business or geographical area of operations,
- 2) is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

f Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in-first-out basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

g Investments in Subsidiary Company

Investments in subsidiary Company is carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary companies, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

h Government Grants

Government Grants related to assets are treated as deferred income and are recognized in the statement of profit and loss on a systematic and rationale basis over the useful life of the assets. Government Grants related to revenue are recognized on a systematic basis in a statement of profit and loss over the period necessary to match them with the related cost which they are intended to compensate. Specifically, Government Grants whose primary condition is that the company should purchase, construct or otherwise acquire non current assets are recognized as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

i Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are not recognised but are disclosed in the notes.

Contingent assets are not recognised but are disclosed in the notes where an inflow of economic benefits is probable.

j Cash flow statement

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

k Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operation cycles as twelve months for the purpose of classification of assets and liabilities as current and non-current.

l Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

m Financial assets

Initial recognition and measurement

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument. On initial recognition, a financial asset is recognized at fair value. In case of financial assets which are recognized at fair value through profit and loss (FVTPL), its transaction costs are recognized in the Statement of Profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the financial asset.

Subsequent measurement

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as a FVTPL. Interest income is recognized in profit or loss and is included in the "Other Income" line item.

Classification of financial assets:

Financial assets measured at amortized cost

A financial asset is measured at the amortized cost if both the following conditions are met:

- a) The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
- b) The Contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances, trade receivables, loans and other financial assets of the Company. Such financial assets are subsequently measured at amortized cost using the effective interest method.

The amortized cost of a financial asset is also adjusted for loss allowances, if any.

Financial assets measured at FVTOCI

A financial asset is measured at FVTOCI if both of the following conditions are met:

- a) The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal on the principal amount outstanding.

Financial assets measured at FVTPL

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above.

This is a residual category applied to all other investments of the Company. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss. Dividend Income on the investments in equity instruments are recognized as 'other income' in the Statement of Profit and Loss.

Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortized cost and FVTPL, the exchange differences are recognized in profit or loss except for those which are designated as hedging instruments in a hedging relationship.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of group of similar financial assets) is derecognised (i.e. removed from the Company's Balance Sheet) when any of the following occurs:

- a) The contractual rights to cash flows from the financial assets expires,
- b) The company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
- c) The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- d) The Company neither transfer nor retains substantially all risk and rewards of ownership and does not retain control over the financial assets.

In cases where Company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset; in that case, the Company also recognizes an associated liability.

The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

Impairment of financial assets

The Company applies expected credit losses (ECL) model for recognising impairment loss on financial assets measured at amortised cost and trade receivables. In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance. For the purpose of measuring lifetime expected credit loss, for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. The expected credit loss allowance is computed based on a provision matrix which takes in to account historical credit loss experience and adjusted for forward looking information. For recognition of impairment loss on other financial assets and risk exposure, the company determines whether there has been a significant increase in the credit risk since initial recognition. If the credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if the credit risk has increased significantly, then the impairment loss is provided based on lifetime ECL. Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on 12- month ECL. ECL impairment loss allowance (or reversal) recognised during the period is recognised as income / expenses in the Statement of profit and loss under the head 'Other expense'.

Financial liabilities and

equity instruments Debt

and Equity

Instruments:

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instruments.

Equity instruments:

An equity instruments is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities, Equity instruments issued by the Company are recognised at the proceeds received, not of direct issue costs.

Financial Liabilities:

Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at fair value.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Financial liabilities at FVTPL

A financial liability may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability whose performance is evaluated on a fair value basis, in accordance with the Company's documented risk management;

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in profit or loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the closing rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

n Leases

Effective 1st April 2019, the company has adopted Ind AS 116 - Leases and applied the standard to all leases contracts existing on 01-04-2019 using the modified retrospective method. **Refer Note 5** for details on transaction to Ind AS 116 Leases.

At inception of a contract, the company assesses whether a contract is, or contains, a lease. A contract is or contains a lease if the contract conveys the right of control the use of an identified asset for a period of time in exchange for consideration.

The company recognised a right of use assets and a lease liabilities at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

The right-of-use asset is subsequently depreciated using the straight- line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The estimated useful lives of right of use asset are determined on the same basis as those of property and equipment. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liabilities.

The Lease Liabilities is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or , if that rate cannot be readily determined, company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

The lease liability is measured at amortized cost using the effective interest method. It is measured when there is change in future lease payments arising from change in an index or rate , if there is a change in company's estimates of the amount expected to be payable under the a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset, or is recorded in profit or loss if the carrying amount of right of use asset has been reduced to zero.

The company present right - of -use asset that do meet the definition of investment property in ' Property Plant and equipment" and lease liabilities in " loans and borrowings" in the statement of financial position.

Short - term leases and leases of low value assets

The company has elected not to recognize right-of-use assets and liabilities for short- term leases of real estate properties that have a lease term of 12 months. The company recognises the lease payments associated with these leases as on expense on straight line basis over the lease term.

o Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

p Fair Value

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either;

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorized into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for Identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 - quoted (unadjusted) market prices in active markets for identical assets or Liabilities.

Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 - inputs that are unobservable for the asset or liability.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorized at the end of each reporting period and discloses the same.

q Allowance for doubtful trade receivables

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are derived based on a provision matrix which takes into account various factors such as customer specific risks, geographical region, product type, currency fluctuation risk, repatriation policy of the country, country specific economic risks, customer rating, and type of customer, etc. Individual trade receivables are written off when the management deems them not to be collectable.

r Revenue recognition

Revenue from sale of goods and services is measured at the fair value of the consideration received or receivable, net of estimated customer returns, rebates and other similar allowances.

Sale of goods

Revenue from the sale of goods is recognised the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods and it is probable that the economic benefits associated with the transaction will flow to the Company.

Rendering of services

Revenue from rendering of services recognised when services are rendered and related cost are incurred.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis.

Export benefits

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same

s Foreign currencies

In preparing the financial statements, transactions in currencies other than the entity's functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

t Financial Derivatives and Commodity hedging Transactions

In respect of financial derivatives and commodity hedging contracts, premium paid, losses on restatement and gains/losses on settlement are charged to the statement of profit and loss.

u Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

v Employee benefits

Defined benefit plans

The Company has an obligation towards a defined benefit retirement plan covering eligible employees through Group Gratuity Scheme of Life Insurance Corporation of India. The Company accounts for the liability for the gratuity benefits payable in future based on an independent actuarial valuation carried out using Projected Unit Credit Method considering discounting rate relevant to Government Securities at the Balance Sheet Date.

Defined benefit costs in the nature of current and past service cost and net interest expense or income are recognized in the statement of profit and loss in the period in which they occur. Actuarial gains and losses on measurement is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur and is reflected immediately in retained earnings and not reclassified to profit or loss. Past service cost is recognized in profit and loss in the period of a plan amendment.

Defined Contribution plan

The Company recognize contribution payable to a defined contribution plan as an expenses in the Statement of profit and loss when the employee render services to the Company during the reporting period.

Compensated Absences

Provisions for Compensated Absences and its classifications between current and non-current liabilities are based on independent actuarial valuation. The actuarial valuation is done as per the projected unit credit method as at the reporting date.

Short term employee benefits:

They are recognized at an undiscounted amount in the Statement of Profit and Loss for the year in which the related services are rendered.

w Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantially enacted by end of reporting periods.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

x Earnings Per Share

Basic earnings per share are computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit after tax as adjusted for the effects of dividend interest and other charges relating to the dilutive potential equity shares by weighted average number of shares plus dilutive potential equity shares.

2.2 Significant accounting judgments, estimates and assumptions Significant

accounting judgements

The application of the Company's accounting policies in the preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an ongoing basis and any revisions thereto are recognized in the period in which they are revised or in the period of revision and future periods if the revision affects both the current and future periods. Actual results may differ from these estimates which could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using ECL model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(b) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(c) Provisions and Contingent Liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. Contingent liabilities are not recognised in the financial statements. The policy for the same has been explained above in **note 2.1(l)**.

AARVEE DENIMS AND EXPORTS LIMITED			
CIN : L17110GJ1988PLC010504			
BALANCE SHEET AS AT 31st March,2025			
(Amt in Lakhs)			
Particulars	Note	March 31,2025	March 31,2024
		(Audited)	(Audited)
ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	3	6,821.84	7,238.19
(b) Intangible assets	3	1.10	-
(c) Capital work-in-progress	4	-	-
(i) Other financial assets	5	21.88	22.97
(d) Deferred Tax Asset	21	6,725.44	8,152.06
(e) Non-current tax assets (net)	6	304.08	139.11
(f) Other non-current assets	7	33.51	15.64
Total non-current assets		13,907.86	15,567.97
2 Current assets			
(a) Inventories	8	807.64	8957.04
(b) Financial assets			
(i) Trade receivables	9	776.46	9972.93
(ii) Cash and cash equivalents	10	1343.02	22.14
(iii) Other bank balance	11	146.21	199.93
(iv) Other financial assets	12	51.56	11.97
(c) Other current assets	13	37.37	85.08
Total current assets		3162.25	19249.09
3 Assets Held For Sale	14	3,371.14	9,031.70
TOTAL ASSETS		20,441.25	43,848.77
EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	15	2,345.98	2,345.98
(b) Other equity	16	1,228.22	(626.18)
Total equity		3,574.20	1,719.80
Liabilities			
2 Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	4,868.72	14,416.23
(ii) Other financial liabilities	18	0.70	0.70
(b) Other non current liabilities	19	20.51	58.03
(c) Provisions	20	-	58.69
Total non-current liabilities		4,889.93	14,533.66
3 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	22	4,557.21	13,349.28
(ii) Trade payables	23		
(iia) Total Outstanding due of Micro, and small enterprise		50.43	137.32
(iib) Total Outstanding due of creditor other than Micro and small enterprise		1,785.20	5,053.44
(iii) Other financial liabilities	24	12.25	314.34
(b) Other current liabilities	25	5,572.03	8,630.43
(c) Provisions	26	-	110.49
Total current liabilities		11,977.12	27,595.30
TOTAL EQUITY AND LIABILITIES		20,441.25	43,848.77
Material Accounting Policy Information	2		
See accompanying notes forming part of financial statements	36-57		

For and on behalf of
M/s. Pankaj R. Shah & Associates
Chartered Accountants
Registration No. : 107361W

CA Nilesh Shah
Partner
Membership No.107414
Place : Ahmedabad
Date : 27/05/2025
UDIN : 25107414BMGIRZ3467

For and On Behalf Of The Board Of Directors Of
Aarvee Denims And Exports Limited

Vinod P. Arora
Chairman & Managing Director
Director (DIN:00007065)

Kalpesh Shah
Whole Time Director
secretary (DIN:00007262)
Date : 27/05/2025

Ashish Shah
Managing
(DIN:00007201)

Abira Mansuri
Company

AARVEE DENIMS AND EXPORTS LIMITED			
CIN : L17110GJ1988PLC010504			
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED March 31, 2025			
(Amt in Lakhs)			
Particulars	Note	Year ended March 31, 2025	Year ended March 31, 2024
Continuing Operations:			
Revenue			
i Revenue from operations	27	4,245.29	8,472.66
ii Other income	28	13,990.59	660.50
iii Total Income		18,235.88	9,133.17
iv Expenses			
Cost of materials consumed	29	742.29	4,892.90
Changes in inventories of finished goods and work in progress	30	7,889.28	3,186.40
Employee benefits expense	31	528.89	1,173.40
Finance costs	32	1,284.40	3,665.48
Depreciation and amortization expense	3	435.13	1,170.50
Other expenses	33	4,074.88	2,340.96
v Total expenses		14,954.86	16,429.64
vi Profit / (Loss) before tax from continuing operations		3,281.01	(7,296.47)
vii Tax expenses	34	-	-
Current tax		-	-
Deferred tax		1,426.62	(2,834.83)
viii Profit / (Loss) for the year from continuing operations		1,854.39	(4,461.64)
xi Discontinued operations:			
Revenue from operations		-	-
Other income		-	-
Total expenses		-	-
x Profit before tax from discontinued operations		-	-
Tax expense/(credit) of discontinued operations		-	-
xi Profit for the year from discontinued operations		-	-
xii Loss for the year from continuing and discontinued operations		1,854.39	(4,461.64)
xiii Other comprehensive income from continuing operations			
(a) Items that will not be reclassified to statement of profit and loss			
- Remeasurment of defined employee benefits plan		-	59.96
(b) Deferred tax on remeasurment of defined employee benefits plan		-	(18.71)
Other comprehensive income from discontinued operations		-	-
(a) Items that will not be reclassified to statement of profit and loss		-	-
- Remeasurment of defined employee benefits plan		-	-
(b) Deferred tax on remeasurment of defined employee benefits plan		-	-
xiv Total other comprehensive income from continuing and discontinued operations		-	41.25
xv Total comprehensive income/(loss) for the year, net of tax		1,854.39	(4,420.39)
Earnings per share			
Nominal value per share Rs. 10/- (Previous year : Rs. 10/-)			
Earnings per share for continuing operations			
Basic & Diluted (in Rs.)	35	7.90	(19.02)
Earnings per share for discontinued operations			
Basic & Diluted (in Rs.)		-	-
Earnings per share for continuing and discontinued operations			
Basic & Diluted (in Rs.)		7.90	(19.02)
Material Accounting Policy Information	2		
See accompanying notes forming part of financial statements	36-57		

For and on behalf of M/s. Pankaj R. Shah & Associates Chartered Accountants Registration No. : 107361W		For and On Behalf Of The Board Of Directors Of Aarvee Denims And Exports Limited	

Note:-

The above Cash Flow Statement has been prepared under the Indirect method as set out in Indian Accounting Standard-7, Statement of Cash Flow.

As per our attached report of even date

For and on behalf of

M/s. Pankaj R. Shah & Associates

For and On Behalf Of The Board Of Directors Of

Aarvee Denims And Exports Limited

Chartered Accountants

Registration No. : 107361W

Vinod P. Arora

Chairman & Managing Director
(DIN:00007065)

Ashish Shah

Managing Director
(DIN:00007201)

CA Nilesh Shah

Partner

Membership No.107414

Place : Ahmedabad.

Date : 27-05-2025

Kalpesh Shah

Whole Time Director

Abira Mansuri

Company secretary

Date : 27-05-2025 UDIN : 25107414BMGIRZ3467

AARVEE DENIMS AND EXPORTS LIMITED

CIN : L17110GJ1988PLC010504

Statement of changes in equity (SOCIE) for the period ended on 31st March, 2025

15. Equity Share Capital

Particulars	No. of Shares	Amount (In Lakhs)
As at 31st March 2023	2,34,59,800	2,345.98
Changes in equity share capital	-	-
As at 31st March, 2024	2,34,59,800	2,345.98
Changes in equity share capital	-	-
As at 31st March, 2025	2,34,59,800	2,345.98

16. Other Equity

(Amt in Lakhs)

Particulars	Capital Redemption Reserve	Securities Premium Account	General Reserve	Foreign Currency Monetary Item Transfer. Difference	Retained earnings	Total Equity
Balance at March 31, 2023	1,499.13	2,807.09	562.73	0.02	(1,074.76)	10,287.61
Profit for the year	-	-	-	-	(4,461.64)	(6,504.90)
Other comprehensive income for the year	-	-	-	-	41.25	11.50
Total Comprehensive Income for the Year	1,499.13	2,807.09	562.73	0.02	(5,495.15)	3,794.21
Dividends	-	-	-	-	-	-
Tax on Dividends	-	-	-	-	-	-
Balance at March 31, 2024	1,499.13	2,807.09	562.73	0.02	(5,495.15)	3,794.21
Profit for the year	-	-	-	-	1,854.39	1,854.39
Other comprehensive income for the year	-	-	-	-	-	-
Total Comprehensive Income for the Year	1,499.13	2,807.09	562.73	0.02	(3,640.76)	1,228.22
Dividends	-	-	-	-	-	-
Tax on Dividends	-	-	-	-	-	-
Balance at 31st March, 2025	1,499.13	2,807.09	562.73	0.02	(3,640.76)	1,228.22

For and on behalf of
M/s. Pankaj R. Shah & Associates
Chartered Accountants Registration No. : 107361W

For and On Behalf Of The Board Of Directors Of
Aarvee Denims And Exports Limited

Vinod P. Arora
Chairman & Managing Director
(DIN:00007065)

Ashish Shah
Managing Director
(DIN:00007201)

CA Nilesh Shah
Partner
Membership No.107414
Place : Ahmedabad.
Date : 27/05/2025
UDIN : 25107414BMGIRZ3467

Kalpesh Shah
Whole Time Director
(DIN:00007262)
Date : 27/05/2025

Abira Mansuri
Company secretary

3. Property plant & equipment

(Amt in Lakhs)

SR. No	Property plant & equipment	GROSS BLOCK					DEPRECIATION/ AMORTIZATION						NET BLOCK	
		As at 01.04.2024	Additions	Deduction	Transfer to Asset Held for Sale	As at 31.03.2025	As at 01.04.2024	For the period	Deduction	Transfer to Asset Held for Sale	Other Adjustment	31-03-2025	As at 31.03.2025	As at 31.03.2024
a	Tangible Assets													
1	Lease hold land	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Land & land development	49.18	-	-	-	49.18	-	-	-	-	-	-	49.18	49.18
3	Building	3,177.18	-	66.10	-	3,111.08	1,585.47	85.66	25.39	-	204.85	1,850.59	1,260.49	1,591.71
4	Plant and Machinery	17,294.28	593.22	1,962.24	-	15,925.26	11,778.50	335.77	1,430.17	-	(224.17)	10,459.93	5,465.33	5,515.79
5	Electric Installation	611.55	-	-	-	611.55	577.16	1.41	-	-	19.32	597.90	13.66	34.39
6	Furniture	151.37	-	-	-	151.37	146.32	1.00	-	-	-	147.33	4.05	5.05
7	Office Equipments	286.24	-	-	-	286.24	271.99	0.12	-	-	-	272.11	14.13	14.26
8	Vehicles	137.94	-	22.42	-	115.52	116.26	11.16	21.86	-	-	105.56	9.96	21.67
9	Computer	100.34	-	-	-	100.34	95.30	-	-	-	-	95.30	5.04	5.04
	Total	21,808.10	593.22	2,050.76	-	20,350.56	14,571.01	435.13	1,477.42	-	-	13,528.72	6,821.84	7,237.09
b	Intangible Assets													
	Computer software	43.59	-	-	-	43.59	42.48	-	-	-	-	42.48	1.10	1.10
	Total	21,851.68	593.22	2,050.76	-	20,394.15	14,613.49	435.13	1,477.42	-	-	13,571.21	6,822.94	7,238.19
c	Capital WIP	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	21,851.68	593.22	2,050.76	-	20,394.15	14,613.49	435.13	1,477.42	-	-	13,571.21	6,822.94	7,238.19

Notes:

- (i) Refer Note 17a, 17b & 17c for information on property, plant and equipment pledged as security by the Company.
- (ii) Refer Note 37 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- (iii) Refer Note 43 or Government grant related to property, plant and equipment.
- (iv) Refer Note 4 for information on Capital CWIP.

Capital work-in-progress (Amt in Lakhs)		
Particulars	As at 31st March,2025	As at 31st March,2024
Balance at the beginning of the year	-	144.27
Add: Addition during the year	-	-
Less: Capitalised during the year	-	(144.27)
Balance at the end of the year	-	-
5. Other financial assets (Non - current) (Amt in Lakhs)		
Particulars	As at 31st March,2025	As at 31st March,2024
Security Deposits		
Unsecured, considered good	21.68	22.78
-Balance with government authorities	0.20	0.20
Total	21.88	22.97
6. Non-current tax assets (net) (Amt in Lakhs)		
Particulars	As at 31st March,2025	As at 31st March,2024
Advance tax and TDS receivable (Net of provision)	304.08	139.11
Total	304.08	139.11
7. Other non-current assets (Amt in Lakhs)		
Particulars	As at 31st March,2025	As at 31st March,2024
Capital advances		
Unsecured, considered good	33.51	15.64
Total	33.51	15.64
8. Inventories (Amt in Lakhs)		
Particulars	As at 31st March,2025	As at 31st March,2024
Raw materials	8.99	232.02
Work in progress	693.28	6,669.42
Finished goods	12.57	1,925.71
Goods in transit (Finished goods)	0.00	0.00
Stores and spares	92.80	129.89
Total	807.64	8,957.04

9. Trade receivables (Amt in Lakhs)							
Particulars	As at 31st March,2025	As at 31st March,2024					
Secured, considered good	-	-					
Unsecured, considered good	776.46	9,972.93					
Unsecured, considered doubtful	-	58.83					
Less: Allowance for unsecured doubtful debts (Expected credit loss allowance) (Refer Note 42B)	-	-58.83					
Total	776.46	9,972.93					
As at March 31, 2025			(Amt in Lakhs)				
Ageing	Not Due	Less than 6 Months	Six months to 1 years	1-2 years	2-3 years	More than 3Years	Total
UNDISPUTED TRADE RECEIVABLE							
Considered Goods		80.05	75.89	127.38	83.39	409.75	776.46
Credit Impaires	-	-	-	-	-	-	-
DISPUTED TRADE RECEIVABLE							
Considered Goods	-	-	-	-	-	-	-
Credit Impaires	-	-	-	-	-	-	-
TOTAL	-	80.05	75.89	127.38	83.39	409.75	776.46
Less : Provision for doubtful debts	-	-	-	-	-	-	-
Balance at the end of the year	-	80.05	75.89	127.38	83.39	409.75	776.46
As at March 31, 2024			(Amt in Lakhs)				
Ageing	Not Due	Less than 6 Months	Six months to 1 years	1-2 years	2-3 years	More than 3Years	Total
UNDISPUTED TRADE RECEIVABLE							
Considered Goods	-	1789.94	517.98	6406.67	116.91	1141.43	9972.93
Credit Impaires	-	-	-	-	3.18	55.64	58.83
DISPUTED TRADE RECEIVABLE							
Considered Goods	-	-	-	-	-	-	-
Credit Impaires	-	-	-	-	-	-	-
TOTAL	-	1,789.94	517.98	6,406.67	120.09	1,197.08	10,031.75
Less : Provision for doubtful debts	-	-	-	-	3.18	55.64	58.83
Balance at the end of the year	-	1,789.94	517.98	6,406.67	116.91	1,141.43	9,972.93

10. Cash and cash equivalents			(Amt in Lakhs)
Particulars	As at 31st March,2025	As at 31st March,2024	
Cash on hand	0.32	0.71	
Balances in current accounts with banks	1342.69	21.42	
Total	1343.02	22.14	
11. Other bank balance			(Amt in Lakhs)
Particulars	As at 31st March,2025	As at 31st March,2024	
In unclaimed dividend accounts	-	-	
In deposit accounts	146.21	199.93	
Total	146.21	199.93	
(Above deposit includes Rs.119.58lakh under bank lien for margin money).			
12. Other financial assets (Current)			(Amt in Lakhs)
Particulars	As at 31st March,2025	As at 31st March,2024	
(Unsecured, considered good)			
Loans and Advance to Staff	0.03	1.61	
Loans and advance to others	0.95	0.88	
Goods and service tax receivable	44.12	3.99	
Interest receivable on margin money	6.47	5.50	
Total	51.56	11.97	
13. Other current assets			(Amt in Lakhs)
Particulars	As at 31st March,2025	As at 31st March,2024	
Export Benefit Receivable	-	29.01	
Advance to Creditors	30.45	40.09	
Prepaid Expenses	6.92	15.98	
Total	37.37	85.08	

14.Asset Held For Sale			(Amt. in Lakhs)
Particulars	As at 31st March,2025	As at 31st March,2024	
(a) Property, plant and equipment	3,371.14	9,031.70	
Total	3,371.14	9,031.70	

The Company has Net Asset block of Non-current Assets Held for Sale aggregating to Rs. 9031.70 Lakhs as on 31st March, 2024 and subsequently during the year ended 31-03-25, assets of Net Block Rs. 5660.56 Lakh has been reduced from the block.

15. Share Capital

Particulars	March 31,2025		March 31,2024	
	Number	Amount (In Lakhs)	Number	Amount (In Lakhs)
Authorised				
Equity Shares of Rs. 10/- each	3,50,00,000	3500.00	3,50,00,000	3500.00
13% Cumulative Redeemable Non Convertible Preference Shares of Rs. 10/- each	1,50,00,000	1500.00	1,50,00,000	1500.00
Issued, Subscribed & Fully Paid up				
Equity Shares of Rs. 10/- each fully paid up	2,34,59,800	2345.98	2,34,59,800	2345.98
Total	2,34,59,800	2,345.98	2,34,59,800	2,345.98

a. Reconciliation of the number of Equity shares outstanding at the beginning and at the end of the Year;

Particulars	March 31,2025		March 31,2024	
	Number	Amount (In Lakhs)	Number	Amount (In Lakhs)
Shares outstanding at the beginning of the year	2,34,59,800	2,345.98	2,34,59,800	2,345.98
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	2,34,59,800	2,345.98	2,34,59,800	2,345.98

b. Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend & interim proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March 2025, the amount of per share dividend recognized as distributions to equity shareholders was Rs. NIL (31st March 2024: Rs. NIL).

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of shares held by each shareholder holding more than 5% shares:

Name of Shareholder	March 31,2025		March 31,2024	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Jaimin Gupta	75,89,313	32.35	-	-
V.B. Investment Private Limited	23,20,900	9.89	23,20,900	9.89
Kashvi Investment Private Limited	13,88,200	5.92	13,88,200	5.92

d. Details of Shares held by promoters at the end of the year					
Name of the promoter	Number of shares			% holding of equity shares	% Change during the Year
	March 31, 2024	Changes	March 31, 2025		
Rita Arora	1373362	(8,57,942)	515420	2.20%	-62.47%
Kalpesh Shah	465300	(93,753)	371547	1.58%	-20.15%
Parmanand Arora	360140	-	360140	1.54%	0.00%
Rajesh Arora	1292341	(10,07,322)	285019	1.21%	-77.95%
Kashvi Kalpeshbhai Shah	261935	-	261935	1.12%	0.00%
Chinmaya Pankaj Arora	75786	-	75786	0.32%	0.00%
Bhrigu Nipun Arora	75785	-	75785	0.32%	0.00%
Nipun V. Arora	334899	(2,79,924)	54975	0.23%	-83.58%
Pankaj V. Arora	324849	(2,79,924)	44925	0.19%	-86.17%
Parul Shah	425641	(3,98,248)	27393	0.12%	-93.56%
Vinod P. Arora	80000	(55,139)	24861	0.11%	-68.92%
Renu V. Arora	408155	(3,85,123)	23032	0.10%	-94.36%
TP Vinod Kumar HUF	35000	(28,364)	6636	0.03%	-81.04%
Virendra Bhogilal HUF	718932	(7,16,245)	2687	0.01%	-99.63%
Ashish Virendrabhai Shah	541779	(5,39,835)	1944	0.01%	-99.64%
Preeti N. Arora	10000	(8,104)	1896	0.01%	-81.04%
Shikha P. Arora	10000	(8,104)	1896	0.01%	-81.04%
Bela Shah	363991	(3,62,630)	1361	0.01%	-99.63%
Shah Kalpesh Virendrabhai Huf	60300	(59,096)	1204	0.01%	-98.00%
Sushilaben Shah	1086	-	1086	0.00%	0.00%
Pankil K. Shah	269600	(2,68,592)	1008	0.00%	-99.63%
Pankil Kalpeshbhai Shah Huf	224164	(2,23,326)	838	0.00%	-99.63%
Karishma Pankilbhai Shah	110000	(1,09,589)	411	0.00%	-99.63%
Anuj Ashish Shah	244389	(2,44,389)	0	0.00%	-100.00%
Heena Khanna	122951	(1,22,951)	0	0.00%	-100.00%
Somni Arora	116760	(1,16,760)	0	0.00%	-100.00%
Jhanvi Nipunkumar Arora	75790	(75,790)	0	0.00%	-100.00%
Sarthak Pankajkumar Arora	75790	(75,790)	0	0.00%	-100.00%
Anoli Ashishbhai Shah	23600	(23,600)	0	0.00%	-100.00%

Name of the promoter	Number of shares			% holding of equity shares	% Change
	March 31, 2023	Changes	March 31, 2024		
Rita Arora	1373362	0	1373362	5.85%	0.00%
Rajesh Arora	1292341	0	1292341	5.51%	0.00%
Virendra Bhogilal HUF	718932	0	718932	3.06%	0.00%
Ashish Virendrabhai Shah	541779	0	541779	2.31%	0.00%
Kalpesh Shah	465300	0	465300	1.98%	0.00%
Parul Shah	425641	0	425641	1.81%	0.00%
Renu V. Arora	408155	0	408155	1.74%	0.00%
Bela Shah	363991	0	363991	1.55%	0.00%
Parmanand Arora	360140	0	360140	1.54%	0.00%
Nipun V. Arora	334899	0	334899	1.43%	0.00%
Pankaj V. Arora	324849	0	324849	1.38%	0.00%
Pankil K. Shah	269600	0	269600	1.15%	0.00%
Kashvi Kalpeshbhai Shah	261935	0	261935	1.12%	0.00%
Anuj Ashish Shah	244389	0	244389	1.04%	0.00%
Pankil Kalpeshbhai Shah Huf	224164	0	224164	0.96%	0.00%
Heena Khanna	122951	0	122951	0.52%	0.00%
Somni Arora	116760	0	116760	0.50%	0.00%
Karishma Pankilbhai Shah	110000	0	110000	0.47%	0.00%
Vinod P. Arora	80000	0	80000	0.34%	0.00%
Jhanvi Nipunkumar Arora	75790	0	75790	0.32%	0.00%
Sarthak Pankajkumar Arora	75790	0	75790	0.32%	0.00%
Chinmaya Pankaj Arora	75786	0	75786	0.32%	0.00%
Bhrigu Nipun Arora	75785	0	75785	0.32%	0.00%
Shah Kalpesh Virendrabhai Huf	60300	0	60300	0.26%	0.00%
T.P. Vinodkumar HUF	35000	0	35000	0.15%	0.00%
Anoli Ashishbhai Shah	23600	0	23600	0.10%	0.00%

Preeti N. Arora	10000	0	10000	0.04%	0.00%
Shikha P. Arora	10000	0	10000	0.04%	0.00%
Sushilaben Shah	1086	0	1086	0.00%	0.00%

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16. Other equity (Amt in Lakhs)

Particulars	As at 31st March,2025	As at 31st March,2024
Capital Redemption Reserve	1499.13	1499.13
Securities Premium Account	2807.09	2807.09
General reserve	562.73	562.73
Difference	0.02	0.02
Retained Earning		
As per last Balance Sheet	(5,495.15)	(1,074.76)
Add: Net loss/Profit for the current year	1,854.39	(4,461.64)
	(3,640.76)	(5,536.40)
Other Comprehensive Income (Net of Tax)		
Re-measurement gain /(losses) in defined benefit plans	-	41.25
Balance at the end of year	(3,640.76)	(5,495.15)
Total	1,228.22	(626.18)

Nature and

purpose of

reserves

Capital

redemption

reserve

The company has recognized capital redemption reserve, for cumulative redeemable non convertible preference shares. The amount of capital redemption reserve is equal to nominal amount of the preference shares.

General reserve

General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

Security premium

The amount received in excess of face value of the equity shares, in relation to issuance of equity, is recognized in securities premium reserve.

Retained earning

Retained earnings are the profits that the company has earned till date, less any transfers to general reserve, dividends or other distributions paid to the shareholders.

17. Borrowings (Non - current)

(Amt in Lakhs)

Particulars	As at 31st March,2025	As at 31st March,2024
Secured Loans		
Term loans from Banks: (Refer Note a, c & d below)	2074.01	4497.53
Less: Current maturities of long-term Loan (Refer Note 22)	(1,227.22)	(1,801.62)

		846.79	2695.91		
Vehicle Loans: (Refer Note b & d below)		-	-		
d. Term of Repayment				(Amt. in Lakhs)	
Term Loan & Corporate Loan		Repayment Schedule		As at 31st March,2025	As at 31st March,2024
YES Bank (Term Loan)	48 Monthly inst. Starting	From 3/2/2022 of Rs 10,75,000 each		52.12	322.50
TATA Capital (Term Loan)	48 Monthly inst. Starting	From 22/2/2022 of Rs 1,33,300 each		14.68	30.68
BOB (Term Loan)	48 Monthly inst. Starting	From 25/1/2022 of Rs 34,27,100 each		308.44	719.69
SCB (Term Loan)	48 Monthly inst. Starting	From 25/2/2022 of Rs 26,56,250 each		63.46	557.81
SBI (Term Loan)	48 Monthly inst. Starting	From 25/3/2022 of Rs 29,12,500 each		249.03	640.68
BOB (Term Loan)	48 Monthly inst. Starting	From 28/06/2024 of Rs 17,12,500 each		685.00	822.00
SCB (Term Loan)	48 Monthly inst. Starting	From 19/08/2024 of Rs 13,27,083 each		243.84	637.00
SBI (Term Loan)	48 Monthly inst. Starting	From 24/08/2024 of Rs 14,56,250 each		685.00	672.98
18. Other financial liabilities (Non - current)				(Amt. in Lakhs)	
	Particulars			As at 31st March,2025	As at 31st March,2024
Trade Deposits				0.70	0.70
	Total			0.70	0.70
19. Other non - current liabilities				(Amt. in Lakhs)	
	Particulars			As at 31st March,2025	As at 31st March,2024
Deferred income on government grant (Refer Note 44)				20.51	58.03
	Total			20.51	58.03
20. Provisions (Non - current)				(Amt. in Lakhs)	
	Particulars			As at 31st March,2025	As at 31st March,2024
Provision for employee benefits					
Compensated absences				-	38.19
Gratuity				-	20.50
	Total			-	58.69
21. Deferred tax assets (Net)				(Amt. in Lakhs)	
	Particulars			As at 31st March,2025	As at 31st March,2024
Deferred Tax Liability					
Related to Fixed Assets				2,054.99	2,299.96
Deferred Tax Assets					
Disallowances for Leave Salary & Gratuity under Income Tax Act, 1961				-	52.79
Provision Of Doubtfull Debts				-	18.35
Unabsorbed Depreciation & Business loss				7,977.94	9,042.14
MAT credit entitlements				802.49	1,357.45
Remeasurement benefit of the defined benefits plans through OCI				-	(18.71)
	Total			(6,725.44)	(8,152.06)
The Major Components of Deferred tax Liability/Assets					
Particulars		Opening Balance	Recognised in P/L & MAT Credit Lapsed	Recognised in OCI	Closing Balance
Related to Fixed Assets		2,299.96	(244.97)	-	2,054.99
Related to Expenses		(71.14)	71.14	-	-

Unabsorbed Depreciation		
Remeasurement benefit of the defined benefits plans through OCI		
Leases		
MAT Credit Entitlements		
Less: Current maturities of long-term Vehicle Loans (Refer Note 22)	-	-
	-	-
	846.79	2695.91
Unsecured Deposits (Refer Note No 41)		
From Directors	738.77	1305.97
From Others	3273.49	7268.55
	4012.26	8574.52
Inter Corporate Loans from related parties (Refer Note No. 41)	9.67	3145.80
Less: Current maturities of long-term loans from related parties	-	-
	9.67	3145.80
Total	4868.72	14416.23

Nature of Securities:

- Secured by mortgage of all fixed assets of Unit- I (Narol), Unit- II (Sari), Unit- III (Vijay Farm) & Unit-IV (Sari) and first pari passu charge on fixed assets and second pari passu charge on the current assets of Unit- I (Narol), Unit- II (Sari), Unit- III (Vijay Farm) & Unit- IV (Sari) and extension of pari passu charge on fixed and current assets.
- Secured by way of hypothecation of respective motor vehicles purchased.
- Specific charge on assets purchased from the proceeds of Loan.

22. Borrowings (Current)		(Amt in Lakhs)
Particulars	As at 31st March,2025	As at 31st March,2024
Secured		
Loans from banks		
Working capital loans (Refer Note a below)	3,329.99	10,296.46
	3,329.99	10,296.46
Current maturities of long-term Loan	1,227.22	1,801.62
Balances in current accounts with banks	-	1,233.62
Unsecured		
Deposits (Refer Note No 41)		
From Directors	-	-
From Others	-	17.58
	-	17.58
Total	4,557.21	13,349.28

a. Nature of Securities:

Loans are Secured by hypothecation of all current assets of Unit -I (Narol), Unit- II (Sari), Unit- III (Vijay Farm), Unit- IV (Sari) and second charge on the fixed assets of Unit -I (Narol),Unit- II (Sari), Unit- III (Vijay Farm) and Unit- IV (Sari) .

23. Trade Payables
(Amt in Lakhs)

Particulars	As at 31st March,2025	As at 31st March,2024
Trade Payables (Refer Note No. 48)		
Total Outstanding due of Micro, and small enterprise	50.43	137.32
Total Outstanding due of creditor other than Micro and small enterprise	1,785.20	5,053.44

Total		1,835.63	5,190.76			
AGEING OF TRADE PAYABLES						
As at March 31, 2025						
(Amt in Lakhs)						
Ageing	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	2.04	11.14	30.96	6.30	50.43
Others	-	559.58	384.01	313.32	528.29	1,785.20
Disputed dues MSME	-	-	-	-	-	-
Disputed dues others	-	-	-	-	-	-
Balance at the end of the year	-	561.62	395.15	344.27	534.59	1,835.63
As at March 31, 2024						
(Amt in Lakhs)						
Ageing	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	12.38	48.37	66.98	9.59	137.32
Others	-	2,608.22	848.19	617.15	979.88	5,053.44
Disputed dues MSME	-	-	-	-	-	-
Disputed dues others	-	-	-	-	-	-
Balance at the end of the year	-	2,620.60	896.56	684.13	989.47	5,190.76
24. Other financial liabilities (Current)						
(Amt in Lakhs)						
Particulars	As at 31st March,2025	As at 31st March,2024				
Interest accrued but not due on borrowings	0.41	175.19				
Other Payables	11.84	139.15				
Total	12.25	314.34				
25. Other current liabilities						
(Amt in Lakhs)						
Particulars	As at 31st March,2025	As at 31st March,2024				
Other Liabilities						
Advance received from Customers	503.46	162.20				
Advance received against Sale of Fixed Asset	5,068.57	8,468.23				
		-				
Total	5,572.03	8,630.43				
26. Provisions (Current)						
(Amt in Lakhs)						
Particulars	As at 31st March,2025	As at 31st March,2024				
Gratuity Payable	-	80.97				
Compensated absences	-	29.52				
Total	-	110.49				

27. Revenue from operations (Amt in Lakhs)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Sale of products	4,234.75	8,441.45
Other operating revenues :		
Export incentive income	10.54	31.21
Total	4,245.29	8,472.66
28. Other income (Amt in Lakhs)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest Income	13.53	19.13
Apportioned income from government grant (Refer Note 44)	37.52	20.99
Other non-operating income	463.78	220.81
Gain on Disposal of Land, Building and Machinery	13,475.76	399.57
Total	13,990.59	660.50
29. Cost of materials consumed (Amt in Lakhs)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening Stock	232.02	198.28
Add : Purchases	519.25	4,994.90
	751.28	5,193.18
Less : Sales	-	68.26
	751.28	5,124.92
Less : Closing Stock	8.99	232.02
Cost of raw materials consumed	742.29	4,892.90
30. Changes in inventories of finished goods and work in progress (Amt in Lakhs)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Inventories at the end of the year		
Work in progress	693.28	6,669.42
Finished Goods	12.57	1,925.71
	705.85	8,595.13
Inventories at the beginning of the year		
Work in progress	6,669.42	9,278.07
Finished Goods	1,925.71	2,503.46
	8,595.13	11,781.53
Net (Increase) / Decrease in stock	7,889.28	3,186.40
31. Employee Benefits Expense (Amt in Lakhs)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, Wages and bonus	501.08	1,123.22
Contributions to Provident fund & Others Funds (Refer Note 37.2)	24.38	43.13
Staff welfare expenses	3.43	7.05
Total	528.89	1,173.40
32. Finance costs (Amt in Lakhs)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest expense	1,214.20	3,593.34
Other borrowing costs	70.20	72.13
Total	1,284.40	3,665.48

33. Other Expenses			(Amt in Lakhs)	
Particulars	Year ended March 31, 2025	Year ended March 31, 2024		
Consumption of stores and spare parts	9.74	43.00		
Power and fuel	1,082.83	1,258.03		
Payment to auditors (Refer note below)	9.00	9.00		
Rent	12.24	12.18		
Repairs to building & Machineries	14.69	33.15		
Insurance	59.26	105.67		
Rates & taxes	48.88	82.31		
Job work charges	138.67	3.77		
Packing materials	3.63	17.26		
Folding charges	-	0.65		
Labour charges	19.12	77.46		
Advertisement, publicity & sales promotion	4.40	2.92		
Commission & brokerage	6.26	45.70		
Travelling & conveyance	13.19	18.11		
Freight & forwarding	10.21	21.21		
Loss on disposal of property, plant & equipment (Net)	985.99	269.04		
written off	1,415.37	14.08		
Professional fees and charges	39.95	30.04		
Loss on foreign currency transactions and translation (net)	(2.59)	15.99		
Miscellaneous expenses	204.03	281.39		
Stock written off	-	-		
Total	4,074.88	2,340.96		

Payments to the auditors (Amt in Lakhs)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Payment to auditors For statutory audit fees For taxation matters For other services	9.00 - -	9.00 - -
Total	9.00	9.00
34. Income Tax Expense (Amt in Lakhs)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
A. Income tax expense		
Current income tax charged	-	-
Current Tax :		
In respect of current year	-	-
Adjustments in respect of previous year	-	-
MAT Credit entitlement	-	-
Deferred Tax (refer note 21)		
Decrease/(increase) in deferred tax assets (net)	1,426.62	(2,834.83)
Total deferred tax expense/(benefit)	1,426.62	(2,834.83)
Income tax expense	1,426.62	(2,834.83)
B . Reconciliation of tax expense and the accounting profit for the year is as under:		
Profit before tax from continuing operations	3,281.01	(7,296.47)
Income tax expense calculated at 31.20%	1,023.68	(2,276.50)
Deferred tax assets not recognised on certain expenses	-	-
Income tax expense of continuing operations	1,023.68	(22,76.50)
Profit before tax from discontinued operations	-	-
Income tax expense calculated at 31.20%	-	-
Tax effect of amounts which are exempt in calculating taxable income	-	-
Reversal of deferred tax liabilities of discontinued operations	-	-
Income tax expense/(credit) of discontinued operations	-	-
35. Earnings Per Share (Amt in Lakhs)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
For continuing operations		
Profit available for equity share holders (Amt. in Lakhs)	1,854.39	(4,461.64)
Weighted average number of equity shares in computing basic & diluted EPS (Nos.)	2,34,59,800.00	2,34,59,800.00
Face value of the share - Rs.	10.00	10.00
Basic and diluted earnings/(loss) per share – Rs.	7.90	(19.02)
For discontinued operations		
Profit available for equity share holders (Amt. in Rs.)	-	-
Weighted average number of equity shares in computing basic & diluted EPS (Nos.)	2,34,59,800.00	2,34,59,800.00
Face value of the share - Rs.	10.00	10.00
Basic and diluted earnings per share – Rs.	-	-
For continuing and discontinued operations		
Profit available for equity share holders (Amt. in Lakhs)	1,854.39	(4,461.64)
Weighted average number of equity shares in computing basic & diluted EPS (Nos.)	2,34,59,800.00	2,34,59,800.00
Face value of the share - Rs.	10.00	10.00
Basic and diluted earnings/(loss) per share – Rs.	7.90	(19.02)

IV. Investment details:

Particulars	Gratuity (Amt. in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Investment with insurer (Investment in policy of LIC)	0.00%	98.00%
Investment with insurer (Investment in policy of India First)	0.00%	2.00%

V. The Principal assumption used in determining gratuity obligations are as follows:

Particulars	Gratuity (Amt. in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Mortality table (LIC)		2012-14 (Urban)
Discount rate (per annum)	0.00%	7.22%
Rate of escalation in salary (per annum)	0.00%	6.00%

Estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

These plans typically expose the Company to actuarial risks such as interest rate risk, salary risk and Investment Risk.

a) Interest risk: A fall in the discount rate which is linked to the G. Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

b) Salary risk: The present value of defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

c) Investment risk : The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

VI Sensitivity Analysis

Significant actuarial assumptions for the determination of defined obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Particulars	Gratuity (Amt. in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Projected benefit obligation on current assumptions	-	230.59
Delta effect of +1% change in rate of discounting	-	(12.89)
Delta effect of -1% change in rate of discounting	-	15.06
Delta effect of +1% change in rate of salary increase	-	12.42
Delta effect of -1% change in rate of salary increase	-	(10.76)
Delta effect of +1% change in rate of employee turnover	-	1.81
Delta effect of -1% change in rate of employee turnover	-	(2.09)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting

period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

VIII Effect of plan on entity's future cash flows

(i) Funding arrangements and Funding policy

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the company, Any deficit in the assets arising as a result of such valuation is funded by the Company.

IX. Expected outflow in future years (as provided in actuarial report)

Particulars	Gratuity	
	(Amt. in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Expected outflow in 1st year	-	88.43
Expected outflow in 2nd year	-	9.37
Expected outflow in 3rd year	-	6.15
Expected outflow in 4th year	-	21.39
Expected outflow in 5th year	-	9.85
Expected outflow sum of years 6 to 10	-	59.02
Expected outflow sum of years 11 and above	-	237.13

2 Defined contribution plans

Contribution of Defined Contribution Plan, recognised as expense for the year are as under: (Amt. in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Employer's contribution to provident fund	20.41	33.64
Employer's contribution to ESIC	3.97	9.49
Total	24.38	43.13

37 Capital commitments

(Amt. in Lakhs)

Particulars	As at 31st March, 2025	Year ended March 31, 2024
Estimated amount of contracts remaining to be executed on capital accounts and not provided for	105.75	8.43

38 Contingent liabilities in respect of:

(Amt. in Lakhs)

Particulars	As at 31st March, 2025	Year ended March 31, 2024
a. Income tax matters disputed in appeal	1,180.91	1,180.91
b. Custom duty payable on pending export obligations	-	1,528.94
c. Corporate guarantee	173.36	253.15

Note : In the opinion of the company, the possibility relating to net outflow on the above accounts are remote.

39 Segment information

Operating segment have been identified on the basis of products / services and have been identified as per the quantitative criteria specified in the IND AS 108. The company has identified two reportable segments viz. Textile and Windmill. Segments have been identified and reported taking into account, the nature of products and services, the differing risks and returns, the organization structure and the internal financial reporting systems.

Disclosures required under Ind AS 108 - Operating Segments are as

A) In view of the Segment reporting policy, entity-wide disclosures are given from the financial statements are as below:	
Particulars	Amount (In Lakhs)
Information about products and services:	
Revenue from External Customers	4245.29
Information about geographical areas:	
Non-Current assets: (In domicile country)	
Property Plant & Equipment	6821.84
Investment in subsidiary, associate and joint venture	
Other non-current assets	33.51

B) Secondary segment : Geographical

(Amt. in

Particulars	As at 31st March,2025	Year ended March 31, 2024
Segment revenue		
a) In India	4245.29	8035.94
b) Outside India	-	436.
	72	
Total	4,245.29	8,472.66

(Amt. in

Particulars	As at 31st March,2025	Year ended March 31, 2024
Carrying cost of segment assets		
a) In India	20,441.25	43758.45
b) Outside India	-	90.32
Total	20,441.25	43,848.77
Carrying cost of segment liabilities		
a) In India	16,867.05	42083.61
b) Outside India	0.51	45.35
Total	16,867.57	42,128.96

C) Major Customer

Revenues from supply of one customer from **Textile division** of company represents Rs.9.89 Crores (23.31% approx) of the company's

Interest rate sensitivity

A change in 50 bps in interest rates would have following impact on profit before tax

Particulars	(Amt. in Lakhs)	
	As at 31st March,2025	Year ended March 31, 2024
50 bps increase would decrease the profit before tax by	20.88	64.96
50 bps decrease would increase the profit before tax by	20.88	64.96

(ii) Foreign currency risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales in overseas and purchased from overseas suppliers in various foreign currencies.

Exposure on foreign currency sales and purchases are managed through the Company's hedging policy, which is reviewed periodically to ensure that the results from fluctuating currency exchange rates are appropriately managed. The company strives to achieve asset liability offset of foreign currency exposures and only the net position is hedged. Consequently, the overall objective of the foreign currency risk management is to minimize the short term currency impact on its revenue and cash- flow in order to improve the predictability of the financial performance.

The year end Foreign currency exposures that have not been hedged by a derivative instruments or otherwise are given below;

Particulars	(Amt. in Lakhs)			
	As at 31st March,2025		Year ended March 31, 2024	
	Amount	Amount	Amount	Amount
	(Foreign Currency)	(Rs.)	(Foreign Currency)	(Rs.)
Amount payable in foreign currency	-	-	\$1.42	95.74
	€ 0.03	2.92	€ 0.44	39.76
Amount receivable in foreign currency	-	-	\$2.53	210.79
	€ 0.04	3.43	0.03	2.96

(B) Credit risk

Credit risk is the risk of financial loss to the company if customers or counter party to a financial instruments fails to meet its contractual obligations and arises principally from the company's receivables from customers.

All trade receivables are subject to credit risk exposure. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country, in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through established policies, controls relating to credit approvals and procedures for continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instrument, which requires expected lifetime losses to be recognized from initial recognition of the receivables. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and relevant information that is available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

The reconciliation of ECL (Expected Credit Loss) is as follows:

Particulars	(Amt. in Lakhs)	
	As at 31st March,2025	Year ended March 31, 2024
Balance at the beginning of the year	58.83	58.83
Provision made / (reversed) during the year	(58.83)	0.00
Balance at the end of the year	-	58.83

(C) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company generates cash flows from operations to meet its financial obligations, maintains adequate liquid assets in the form of cash & cash equivalents and has undrawn short term line of credits from banks to ensure necessary liquidity. The Company closely monitors its liquidity position and deploys a robust cash management system.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Particulars	(Amt. in Lakhs)			
	<1 year	>1 year but <5 years	More than 5 years	Total
Year ended March 31, 2025				
Interest bearing borrowings	4,557.21	4,868.72	-	9,425.93

40 Related party disclosures

Related parties and their

(a) Entity controlled by one or more Key management

Companies	Firms
New Ahmedabad Synthetics Pvt. Ltd.	B. Kalpeshkumar & Co.
Vee Bee Textile Pvt. Ltd.	Parmanand Rajeshkumar
Rentex Weavers Ltd.	Virendra Bhogilal & Co.
Twenty First Century Marketing Ltd.	Arora Agencies
Ennbee Textiles Pvt. Ltd.	Parmanand Vinodkumar
V.B. Investment Pvt. Ltd.	Pari Bhogilal Laxmichand
Pee Vee Synthetics Pvt. Ltd.	Parmanand Arora & Sons, HUF
Shipa Fabrics Pvt. Ltd.	T.P. Vinodkumar, HUF
Kashvi Investments Pvt. Ltd.	T.P. Rajeshkumar, HUF
Bhansali Tradelink Pvt. Ltd.	K.V. Enterprise
New Ahmedabad Synthetics LLP	A.V. Enterprise
Sevens Food Lab	A Star Fibres
	Namit Enterprise
	B.S.Textile
	Techtex
	Triveni International
	Panch Rattan Fabrics
	Textile India
	M/s. Kashvi
	Ashish V. Shah HUF
	Kalpesh V. Shah HUF

(b) Key management

Vinodkumar P. Arora	Ketan Desai
Kalpesh V. Shah	Abira Mansuri
Nipun V. Arora	
Ashish V. Shah	

(c) Non - Executive Directors/ Independent

Hiten Parikh	Aarti Thakkar
Kandarp Trivedi	Ankit Mittal

(d) Relatives of key management

Anoli Shah	Renu Arora
Pankaj V. Arora	Rita Arora
Heena Khanna	Kastura Rani Arora
Chinmaya P. Arora	Bhrihu N. Arora
Jahanvi N. Arora	Parul K. Shah
Bela A. Shah	Pankil K. Shah
Preeti N. Arora	Shikha Arora
Somni Chawla	Sarthak P. Arora
Anuj A Shah	Sushila Shah
Sela D. Jhaveri	Kashvi Shah
Shyama Sethi	Lata Khanna
Neelu Rajan Khurana	Shailaben D. Jhaveri

Disclosure in respect of material transactions with related parties

(Amt. in Lakhs)

Transaction	Name of the related party	Transaction With the Parties		Balance	
		As at 31st March,2025	Year ended March 31, 2024	As at 31st March,2025	Year ended March 31, 2024
Sale Of Goods	Panch Rattan fabrics	111.04	609.49	-	2,267.23
	Sevens Food Lab	104.88	-	(0.28)	-
	Arora Agencies	-	-	49.91	138.11
	Parmanand Vinodkumar	-	-	36.54	46.24
	TechTex	-	-	-	-
	B S TEXTILES	-	-	-	-
	Virendrabhai Bhogilal & Co.	-	6.14	-	-
Sale Of Fixed Assets	Virendrabhai Bhogilal & Co.	20.00	-	-	-
	B S TEXTILES	20.00	-	-	-
Sale Of Land	Sevens Food Lab	24.00	-	-	-
	TechTex	56.00	-	-	-
Purchase Of Fixed Assets	Virendrabhai Bhogilal & Co.	296.61	-	-	-
	B S TEXTILES	296.61	-	-	-
Job Work Charges	A.V. ENTERPRISE	-	-	-	7.08
	B.KALPESHKUMAR & CO.	-	-	-	7.01
	B S TEXTILES	64.71	1.24	101.18	201.68
	K.V. ENTERPRISE	-	-	-	7.08
	Namit Enterprise	-	0.54	-	1.40
	Virendrabhai Bhogilal & Co.	64.71	1.78	101.18	93.37
Commission & Brokerage	Parmanand Vinodkumar	1.51	13.57	-	-
	Arora Agencies	2.39	13.98	-	-
Rent	TechTex	0.85	2.40	5.66	2.80
Remuneration	Vinod P Arora	36.00	35.12	2.65	11.12
	ASHISHBHAI V SHAH	30.00	29.26	2.29	9.70
	KALPESHBHAI V SHAH	18.00	17.56	1.26	5.90
	NIPUN V ARORA	12.00	11.71	0.99	4.50
Salary	Pankajbhai V Arora	12.00	11.71	0.99	4.27
	Pankil K Shah	12.00	11.71	0.99	4.54
	Abira Mansuri	9.00	6.75	1.13	1.47
	Rahulkumar Chandubhai Makwana	-	0.16	-	-
	Ketan Desai	18.00	19.50	2.81	2.37
Sitting Fees	Ankit Mittal	0.75	-	-	-
	Hiten Parikh	0.75	-	-	-
	Kandarp Trivedi	0.75	-	-	-
	Sanjay S Majmudar	NA	0.50	NA	0.18
	Ashok C. Gandhi	NA	0.55	NA	-
	Amol R. Dalal	NA	0.55	NA	-
	Aarti Thakkar	0.85	0.55	-	-

(Amt. in Lakhs)

Transaction	Name of the related party	Transaction With the Parties		Balance	
		As at 31st March,2025	Year ended March 31, 2024	As at 31st March,2025	Year ended March 31, 2024
Loans/Advance Taken/(Repaid)	Bhansali Tradelink Pvt Ltd	(0.25)	(0.13)	3.89	4.14
	Ennbee Textiles Pvt.Ltd	(279.53)	10.54	-	279.53
	New Ahmedabad Synthetics LLP	(443.31)	443.31	-	443.31
	New Ahmedabad Synthetics Pvt. Ltd	-	(420.76)	-	-
	Pee Vee Synthetics P.Ltd	(0.25)	(0.59)	2.22	2.47
	Rentex Weavers Ltd	(191.32)	7.40	-	191.32
	Shipa Fabrics Pvt.Ltd	(141.63)	3.61	-	141.63
	Twenty First Century Marketing Ltd	(2,079.73)	128.00	-	2,079.73
Interest Expense On Loans	Vee Bee Textiles (P) Ltd	(0.10)	(0.75)	3.56	3.66
	Bhansali Tradelink Pvt Ltd	-	0.42	-	-
	Ennbee Textiles Pvt.Ltd	-	25.94	-	-
	New Ahmedabad Synthetics Pvt. Ltd	-	9.78	-	-
	New Ahmedabad Synthetics LLP	-	30.69	-	-
	Pee Vee Synthetics P.Ltd	-	0.25	-	-
	Rentex Weavers Ltd	-	17.78	-	-
	Shipa Fabrics Pvt.Ltd	-	13.16	-	-
Deposits Taken/(Repaid)	Twenty First Century Marketing Ltd	-	191.42	-	-
	Vee Bee Textiles (P) Ltd	-	0.36	-	-
	Bhrgu N. Arora	-	-	124.88	124.88
	Chinmaya Pankaj Arora	-	-	4.60	4.60
	Heena Khanna	(21.00)	-	-	21.00
	Lata Khanna	(11.32)	-	-	11.32
	Neelu Rajan Khurana	(11.32)	-	-	11.32
	Nipun V. Arora	(134.80)	-	152.55	287.35
	Nipun Vinodkumar Arora Huf	(121.88)	-	-	121.88
	Pankaj V. Arora	(157.30)	-	146.40	303.70
	Pankaj Vinodkumar Arora Huf	(121.88)	-	-	121.88
	Parulben Kalpeshbhai Shah	(20.00)	-	10.00	30.00
	Preeti N. Arora	(308.20)	-	227.15	535.35
	Rajesh Arora	(980.00)	-	299.69	1,279.69
	Renu V. Arora	(1,324.14)	-	429.96	1,754.10
	Rita Arora	(389.00)	-	800.50	1,189.50
	Sarthak Pankaj Arora	-	-	125.88	125.88
	Shikha P. Arora	(285.70)	-	200.55	486.25
	Shyama Sethi	(11.32)	-	-	11.32
	Somni Chawla	(62.00)	-	-	62.00
Interest Expense On Deposits	T.P. Rajeshkumar H.U.F.	-	-	83.50	83.50
	T.P. Vinodkumar H.U.F.	(98.50)	-	-	98.50
	Vinodkumar P. Arora	(432.40)	-	418.54	850.94
	Shailaben D. Jhaveri	(4.20)	-	-	4.20
	Bhrgu N. Arora	-	5.17	20.51	20.51
	Chinmaya Pankaj Arora	-	0.19	0.81	0.81
	Heena Khanna	0.52	1.74	-	2.64
	Lata Khanna	-	0.94	-	1.40
	Neelu Rajan Khurana	-	0.94	-	1.40
	Nipun V. Arora	-	12.10	40.34	40.34
	Nipun Vinodkumar Arora Huf	-	5.04	-	21.85
	Pankaj V. Arora	-	12.56	41.66	41.66
	Pankaj Vinodkumar Arora Huf	-	5.04	-	21.85
	Parulben Kalpeshbhai Shah	-	1.24	-	5.93
	Preeti N. Arora	-	22.17	63.26	63.26
	Rajesh Arora	-	52.93	186.92	186.92
	Renu V. Arora	-	72.55	223.60	223.60
	Rita Arora	-	49.20	175.76	175.76
	Sarthak Pankaj Arora	-	5.21	22.70	22.70
	Shikha P. Arora	-	20.11	68.56	68.56
	Shyama Sethi	-	0.94	-	1.40
	Somni Chawla	1.41	5.13	-	8.44
	T.P. Rajeshkumar H.U.F.	-	3.45	16.24	16.24
	T.P. Vinodkumar H.U.F.	-	4.07	-	19.69
	Vinodkumar P. Arora	-	37.32	127.34	127.34
	Shailaben D. Jhaveri	-	-	-	0.66

41 Financial risk management

The Company's financial liabilities comprise mainly of borrowing, trade payables and other payables. The Company's financial assets comprise mainly of cash and cash equivalent, other balance with banks, loans, trade receivable and other receivable. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

(A) Market risk

The Company is exposed to market risks on account of changes in interest rates, foreign exchange rates, liquidity and other market changes. These risks affect income and expenses of the Company. The objective of the Management of the Company is to maintain this risk within the acceptable parameters, while optimising returns.

(i) Interest rate risk

The Company is mainly exposed to interest rate risk due to its variable interest rate borrowings. The interest rate risk arises due to uncertainties about the future market interest rate of these borrowings.

The Company monitors fluctuations in interest rate continuously and has laid policies and guidelines including to minimise impact of interest rate risk.

53 Events occurring after the balance sheet date

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of 27th May, 2025 there were no subsequent events to be recognized or reported that are not already disclosed.

54 Ratios

Particulars	Numerator	Denominator	March 31, 2025	March 31, 2024	% Variance	Reason for variance
(a) Current Ratio	Current Asset	Current Liabilities	0.26	0.70	-62.15%	refer note:i
(b) Debt-Equity Ratio	Total Debt	Shareholder's Equity	256.40%	1611.73%	-84.09%	refer note:ii
(c) Debt Service Coverage Ratio	Earnings for debt service = Net profit after taxes + Non cash operating expenses+ finance cost	Debt service = Interest & Lease Payments + Principal	18.21%	2.41%	656.67%	refer note:iii
(d) Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	70.06%	-113.53%	-161.71%	refer note:iv
(e) Inventory turnover ratio	Cost of Goods Sold	Average Inventory	1.77	0.77	128.81%	refer note:v
(f) Trade Receivables turnover ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	0.79	0.75	4.51%	NA
(g) Trade payables turnover	Net Credit Purchases	Average Trade Payable	2.46	1.49	64.81%	refer note:vi
(h) Net capital turnover ratio	Net sales = Total sales - sales return	Average Working capital = Current assets – Current liabilities	(0.12)	(1.37)	-91.02%	refer note:vii
(i) Net profit ratio	Net Profit after taxes	Net sales = Total sales - sales return	43.79%	-52.85%	-182.85%	refer note:viii
(j) Return on Capital employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt	47.21%	-20.24%	-333.23%	refer note:ix

Notes on ratios :

- (i) Decrease In current ratio due to significant decrease in Current Assets
- (ii) Decrease in debt equity ratio is on account of increase in shareholders fund due to profit incurred by the company in current year.
- (iii) Debt service coverage Ratio change due to decrease in borrowings in current year.
- (iv) Return on equity ratio is change due to increase in shareholders fund in current year.
- (v) Inventory turnover ratio is change due to reduction in inventories in current year
- (vi) Trade Payable turnover ratio is change due to higher payout during the year with better cashflow.
- (vii) Net Capital Turnover ratio is change due to Increase in sales turnover of the company in current year.
- (viii) Net Profit Turnover ratio is change due to Increase in sale of fixed assets in current year.
- (ix) Return on capital employed:Change due to decrease in fixed assets.

55 Previous Year figures have been regrouped/ rearranged wherever considered necessary.		
56 The financial statements were approved for issue by the board of directors on 27th May, 2025. The Company has received consent letters from the unsecured Depositors having more than 98% of value of the fixed deposits with the Company, for waiving off their interest on fixed		
57 deposits from 1st October,2024 till 31st March,2025 due to ongoing financial stress of the company. therefore the company has not provided for Interest on fixed deposits of these depositors for the year ended 31st March,2025.		
For and on behalf of M/s. Pankaj R. Shah & Associates Chartered Accountants Registration No. : 107361W	For and On Behalf Of The Board Of Directors Aarvee Denims And Exports Limited	Of
	Vinod P. Arora Chairman & Managing Director (DIN:00007065)	Ashish Shah Managing Director (DIN:00007201)
CA Nilesh Shah Partner Membership No.107414 Place : Ahmedabad Date : 27-05-2025 UDIN : 25107414BMGIRZ3467	Kalpesh Shah Whole Time Director (DIN:00007262) Date : 27/05/2025	Abira Mansuri Company secretary