

**ARVEE LABORATORIES (INDIA) LIMITED**

**ANNUAL REPORT**

**2023 – 2024**

Registered Address: 403, Entice, Nr. Jayantilal Park BRTS, Iskcon Bopal Road,  
Ambli, Ahmedabad, Gujarat – 380058

**ANNUAL REPORT OF ARVEE LABORATORIES (INDIA) LIMITED**

**2023-2024**

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## **ARVEE LABORATORIES (INDIA) LIMITED**

Registered Address: 403, Entice, Nr. Jayantilal Park BRTS, Iskcon-Bopal Road, Ambli, Ahmedabad, Gujarat - 380058

[compliance@arveelabs.com](mailto:compliance@arveelabs.com) CIN: L24231GJ2012PLC068778

[www.arveelabs.com](http://www.arveelabs.com), Tel: 91- 2717-430479

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### **NOTICE**

Notice is hereby given that the 13<sup>th</sup> Annual General Meeting of the members of Arvee Laboratories (India) Limited will be held at on Saturday, 28<sup>th</sup> September, 2024 at 11.30 a.m. at the Registered Office of the Company situated at 403, Entice, Nr. Jayantilal Park BRTS, Iskcon-Bopal Road, Ambli, Ahmedabad, Gujarat - 380058 to transact the following business:

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2024 and Statement of Profit and Loss and Cash Flow Statement for the year ended on 31<sup>st</sup> March, 2024 and the Reports of the Board of Directors and Auditors thereon and documents annexed thereto.
2. To reappoint Mr. Shalin Bharatbhai Chokshi (having Director Identification Number: 00191903) a Director of the Company who retires by rotation and being eligible offers himself for re-appointment.

#### **SPECIAL BUSINESS**

**Appointment of Mr. Praveen Kumar Rameshchandra Mishra (DIN: 10687679), as a Director of the Company**

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

“RESOLVED that pursuant to the provisions of section 149 and 152 and all other applicable provisions of the Companies Act, 2013 (“the Act”), the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], Mr. Praveen Kumar Rameshchandra Mishra (DIN: 10687679), who was appointed by the Board of Directors as an Additional Director on the Board of Directors of the Company, with effect from 24<sup>th</sup> June, 2024 under section 161 of the Act and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting of the Company and in respect of whom the Company has received a Notice in writing, proposing his candidature for the office of Director

of the Company, being so eligible, be appointed as a Non-Executive Director of the Company and is hereby liable to retire by rotation.”

#### **4. Approval of Related Party Transaction:**

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

“RESOLVED THAT pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (“Listing Regulations”), the applicable provisions of the Companies Act, 2013 (“Act”) read with rules made thereunder, other applicable laws / statutory provisions, if any, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company’s Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions and basis the approval of the Audit Committee and recommendation of the Board of Directors of the Company, approval of the Members of the Company be and is hereby accorded to the Company to enter into and / or continue the related party transaction(s) / contract(s) / arrangement(s) / agreement(s) (in terms of Regulation 2(1)(zc)(i) of the Listing Regulations) in terms of the explanatory statement to this resolution and more specifically set out in Table nos. A1 to A6 in the explanatory statement to this resolution on the respective material terms & conditions set out in each of Table nos. A1 to A6;

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as ‘Board’ which term shall be deemed to include the Audit Committee of the Board and any duly constituted committee empowered to exercise its powers including powers conferred under this resolution) be and is hereby authorized to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary contract(s), arrangement(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company, to delegate all or any of its powers conferred under this resolution to any Director or Key Managerial Personnel or any officer / executive of the Company and to resolve all such issues, questions, difficulties or doubts whatsoever that may arise in this regard and all action(s) taken by the Company in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects.”

“RESOLVED THAT pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time (“Listing Regulations”) the applicable provisions of the Companies Act, 2013 (“Act”) read with rules made thereunder, other applicable laws / statutory provisions, if any,

(including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company's Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions and basis the approval of the Audit Committee and recommendation of the Board of Directors of the Company, approval of the Members of the Company be and is hereby accorded to the Company to enter into and / or continue the related party transaction(s) / Contract(s) / arrangement(s) / agreement(s) (in terms of Regulation 2(1)(zc)(i) of the Listing Regulations) in terms of the explanatory statement to this resolution and more specifically set out in Table No. A1 to A6 in the explanatory statement to this resolution on the respective material terms and conditions set out in each of Table No. A1 to A6

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as 'Board' which term shall be deemed to include the Audit Committee of the Board and any duly constituted committee empowered to exercise its powers including powers conferred under this resolution) be and is hereby authorized to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary contract(s), arrangement(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company, to delegate all or any of its powers conferred under this resolution to any Director or Key Managerial Personnel or any Officer / executive of the Company and to resolve all such issues, questions, difficulties or doubts whatsoever that may arise in this regard and all action(s) taken by the Company in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects

**FOR & ON BEHALF OF THE BOARD OF  
ARVEE LABORATORIES (INDIA) LIMITED**

**Place: Ahmedabad**

**Dated: 13<sup>th</sup> August 2024**

**Sd/-**

**MANAGING DIRECTOR  
Shalin Sudhakarbhai Patel  
[DIN: 01779902]**

**Notes:**

1. An Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 (hereinafter referred to as the "Act"), in respect of businesses to be transacted at the Annual General Meeting (hereinafter referred to as "AGM"), as set out under Item No(s). 3 and 4 of the notice, is annexed hereto and the relevant details of the Directors as mentioned under Item No (s). 2 above as required by Regulations 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 (hereinafter referred to as "Listing Regulations") and as required under Secretarial Standards – 2 on

General Meetings issued by the Institute of Company Secretaries of India, is annexed thereto.

2. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself /herself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Annual General Meeting.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The holder of proxy shall prove his identity at the time of attending the Annual General Meeting. Attendance Slip, Proxy Form and the Route Map of the venue of the Meeting are annexed hereto.
4. Corporate members intending to send their authorized representatives to attend the meeting are requested to send certified copy of Board Resolution or other governing body authorizing their representatives to attend and vote on their behalf at the meeting.
5. Members / proxies / authorized representatives should bring their copy of the Annual Report and Accounts along with duly filled Attendance Slip enclosed herewith to attend the Meeting.
6. Members who hold shares in dematerialized form are requested to write their DP ID and Client ID Numbers and those who hold shares in Physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting.
7. 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.
8. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 ('the Act') and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Act, will be available for inspection by the members at the Annual General Meeting.
9. The Register of Beneficial Owners, Register of Members and Share Transfer Book of the Company shall remain closed from Monday 23<sup>rd</sup> September, 2024 to Saturday, 28<sup>th</sup> September, 2024 (both days inclusive) for the purpose of Annual General Meeting.

10. All documents referred to in the accompanying notice and explanatory statement are open for inspection at the registered office of the Company on all working days, except Saturday between 11:00 a.m. to 01:00 p.m. prior to the date of Annual General Meeting of the Company.
11. Any member desiring any clarification/explanation in respect of the information given in this annual report is requested to submit query to the company at least 10 days in advance before the meeting so as to enable the management to keep information ready.
12. SEBI has decided that securities of listed companies can be transferred only in dematerialized form April 01, 2019. In view of the above and to avail various benefits of dematerialization, members are advised to dematerialize shares held by them in physical form.
13. To support the 'Green Initiative', Members who have not registered their e-mail addresses are requested to register the same with DPs or RTA of the Company.
14. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs 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 authorized agency. The facility of casting votes by a member using remote e-voting system will be provided by NSDL.
15. The Members of the company holding Shares as on 16<sup>th</sup> August, 2024 (Cut-off date for entitlement of Annual Report), shall be eligible for receiving the Annual Report 2023-24 along with the notice of the Annual General Meeting, by electronic mode to all the members whose email addresses are registered with the Depository Participant(s).
16. Members can avail the nomination facility by filing Form No. SH-13, as prescribed under Section 72 of the Companies Act, 2013 and rule 19 (1) of the Companies (Share Capital and debentures) Rules 2014 with the Company. Blank forms will be supplied on request.
17. Members who hold shares in dematerialized mode are requested to intimate any changes pertaining with their bank account details, ECS mandates, nominations, change of address/name etc. to their Depository Participant. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its Registrar & Share

Transfer Agent to provide efficient and better service to the members. The e-voting period commences on Wednesday, 25<sup>th</sup> September, 2024 at 9:00 a.m. and ends on Friday, 27<sup>th</sup> September, 2024 at 5:00 p.m. During this period, members of the Company holding shares either in physical form or in dematerialized form, as on the Cut-off date i.e. Monday, 23<sup>rd</sup> September, 2024 may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the e-voting module will be disabled by NSDL for voting thereafter. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e. Monday, 23<sup>rd</sup> September, 2024. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.

18. The facility for voting through ballot papers will also be made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot process. The Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The EVEN for e-voting is **130584**.
19. If Members are opting for remote e-voting, they shall not vote by poll paper and vice versa. However, in case Members cast their vote both by poll paper and by remote e-voting, then voting done through remote e-voting shall prevail and voting done by poll paper will be treated as invalid.

The Scrutinizers shall immediately after the conclusion of the voting at the meeting, first count the votes of the valid poll paper cast at the 13<sup>th</sup> Annual General Meeting. They shall then proceed to unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company. The Scrutinizers thereafter shall submit their report to the Chairperson after completion of their scrutiny. The result of the voting will be announced within 2 working days of the conclusion of the 13<sup>th</sup> Annual General Meeting at the Registered Office of the Company.

The results declared along with the Scrutinizer's report shall be placed on the Company's website [www.arveelabs.com](http://www.arveelabs.com) and on the website of NSDL and shall also be intimated to the National Stock Exchange (NSE) where shares of the Company are listed.

Members who are holding shares in identical order of names in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio.

A detailed list of instructions for e-voting is annexed to this Notice. Facility of Video Conferencing will be provided at the Venue, in case the number of members attending the AGM exceeds than permitted by the laws for the time being in force.



## Instructions for e-voting

Pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9 December 2020 on “e-voting facility provided by Listed Companies”, e-voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts/websites of Depositories/DPs in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-voting process.

Shareholders are advised to update their mobile number and e-mail id with their DPs in order to access e-voting facility.

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

**The Electronic voting particulars are set out below:**

<b>EVEN (E-VOTING EVENT NUMBER)</b>
<b>130584</b>

The detailed instructions for e-voting are as follows:

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

#### **E) Login method for e-Voting 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:

<b>Type of shareholders</b>	<b>Login Method</b>
<b>Individual Shareholders holding securities in demat mode</b>	1. If you are already registered for <b>NSDL IdeAS facility</b> , please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the <b>“Beneficial Owner”</b>

<p><b>with NSDL</b></p>	<p>icon under “Login” which is available under “<b>IdeAS</b>” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or <b>e-Voting service provider – NSDL</b> and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period.</p> <ol style="list-style-type: none"> <li>2. If the user is not registered for IdeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IdeAS</b>” Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held 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 options available against company name or <b>e-Voting service provider – NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> </ol>
<p><b>Individual Shareholders holding securities in demat mode with CDSL</b></p>	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> </ol>

	<p>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</p>
<b>Individual Shareholders (holding securities in demat mode) login through their depository participants</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or <b>e-Voting service provider-NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

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

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

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

**B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
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](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto: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.
2. Select "EVEN" 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.

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

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 [compliance@arveelabs.com](mailto:compliance@arveelabs.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 [compliance@arveelabs.com](mailto:compliance@arveelabs.com) If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) 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.

**CONTACT DETAILS:**

Company	:	<b>ARVEE LABORATORIES (INDIA) LIMITED</b> Registered Address: 403, Entice, Nr. Jayantilal Park BRTS, Iskcon – Bopal Road, Ambli Ahmedabad, Gujarat – 380058 <a href="mailto:compliance@arveelabs.com">compliance@arveelabs.com</a> CIN : L24231GJ2012PLC068778 <a href="http://www.arveelabs.com">www.arveelabs.com</a> Tel : 91- 2717-430479
Registrar & Transfer Agents	:	<b>BIGSHARE SERVICES PRIVATE LIMITED</b> Office No , 6 <sup>th</sup> Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road , Andheri (East), Mumbai, Maharashtra, 400093 Tel: +91 22 62638200 Fax: +91 22 62638299
E-voting Agency	:	National Securities Depository Limited Email : <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> Phone : 1800-222-990 (Toll Free)
Scrutinizer	:	Jalan Alkesh & Associates Practicing Company Secretary E-mail : <a href="mailto:jalanalkesh@gmail.com">jalanalkesh@gmail.com</a>

### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [jalanalkesh@gmail.com](mailto:jalanalkesh@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the **“Forgot User Details/Password?”** or **“Physical User Reset Password?”** option available **on** [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: **1800-1020-990/1800-2244-30** or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)



**ANNEXURES TO THE NOTICE**

**ANNEXURE A**

**For Item No. 2**

**Details of the Director retiring by rotation and seeking Re-appointment at the Annual General meeting pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard: 2 (SS:2) issued by ICSI and approved by the Central Government.**

Name of the Director	Shalin Bharatbhai Chokshi
Father's Name	Bharatbhai Chokshi
Date of Birth	16/10/1984
Qualification	He is a graduate in commerce and holds a degree in Masters of Professional Accounting, Monash University, Australia.
Date of Joining the Board of Director of the Company	27/01/2012
Number of Shares held in the Company	1000
Names of listed entities in which the person also holds the directorship and the membership of Committees of the board	Nil
Other Chairmanship / Membership of Committees of Board of other Companies	Nil
Specific Functional Area	He has been pivotal in bringing new international raw material suppliers to the Company which has proved to be highly cost beneficial to the company. At the same time he has identified key consumers for Company's products in the International market. He closely monitors Company affairs and its functions
Relationship with Directors / inter-se KMP	Nil
Experience	Mr. Shalin Bharat Chokshi, aged 40 Years, is the Promoter and Whole Time Director of our Company. He is a

	graduate in commerce and holds a degree in Masters of Professional Accounting, Monash University, Australia. He has 13 years of experience in sales and international business. He has worked with Companies like B Chokshi Chem Private Limited, where he was responsible for developing new clients as well as suppliers. He has been instrumental in identifying new suppliers to strategically improve the Company supply chain. He is also a Director in Arvee Speciality Chemicals Private Limited.
Terms and Conditions of appointment	He is appointed for a period of five years commencing from 4 <sup>th</sup> December, 2022 on a monthly salary of Rs. 3.00 lacs plus bonus, provident fund, leave encashment etc. which shall not exceed Rs. 1.00 lacs per month with the power to the Board of Directors to increase / alter the remuneration within the permissible limit.
Remuneration sought to be paid and last drawn	The last Salary drawn from the Company was Rs. 3713.46 Thousand per annum.  It is proposed to pay him salary not exceeding Rs. 3800.00 Thousands per annum plus bonus, provident fund, leave encashment etc. which shall not exceed Rs. 1.00 lacs per month with the power to the Board of Directors to increase / alter the remuneration.
Number of meeting of Board of Directors attended during the year	6

None of the Directors, Key Managerial Personnel of the Company and their relatives other than Mr. Shalin Bharatbhai Chokshi, are in any way concerned or interested, financial or otherwise, in the said Resolution.

The Board recommends the resolution for approval of the members.

Explanatory statement pursuant to Section 102 of the Companies Act, 2013 and disclosures required under Secretarial Standards

**For Item No. 3**

Mr. Praveen Kumar Rameshchandra Mishra (DIN: 10687679), who was appointed by the Board of Directors as an Additional Director on the Board of Directors of the Company based on the recommendation of the Nomination and Remuneration Committee, with effect from 24th June, 2024 under section 161 of the Act and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting of the Company. The Company has received a notice in writing from a member of the Company proposing his candidature for the Office of the Director. He is appointed as Non-Executive Director of the Company.

Further, Mr. Praveen Kumar Rameshchandra Mishra has confirmed that he is not disqualified to act as a Director in terms of Section 164 of the Act and he is not debarred from holding the office of Director by virtue of any SEBI order or any other such authority and he is in compliance with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Given his expertise, knowledge and experience, the Board is of the opinion that it would be in the interest of the Company to avail his services as an Independent Director of the Company and he has given his consent to act as a Director of the Company.

He does not hold any shares in the Company. Mr. Praveen Kumar Rameshchandra Mishra aged about 61 years is qualified as Bachelor of Science (Chemistry), M.A. and B.Ed. He has 30 years' experience in the Chemical Industry for Manufacturing of Speciality Chemicals, Dye Intermediate.

Since he was appointed as Additional Director on 24<sup>th</sup> June, 2024 so no Board Meetings were attended by him during the year 2023 – 2024. He is not a director in any other company. None of the Director have any relationship with Mr. Praveen Kumar Rameshchandra Mishra. It is proposed to pay him remuneration of Rs. 50,000/- per month with the power of the Board to increase or decrease the remuneration within the limits as specified in Schedule V of the Companies Act, 2013.

**For Item No. 4**

In furtherance of its business activities, the Company and its Subsidiaries have entered into / will enter into transactions / contract(s) / agreement(s) / arrangement(s) with related parties in terms of Regulation 2(1)(zc)(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

All related party transactions of the Company and its related party are at arm's length and in the ordinary course of business. The Company has a well-defined governance

process for the related party transactions undertaken by it. These transactions are independently reviewed by the Audit Committee.

Further, all related party transactions are undertaken after obtaining prior approval of the Audit Committee consisting majority of independent directors.

All related party transactions have been unanimously approved by the Audit Committee after satisfying itself that the related party transactions are at arm's length and in the ordinary course of business. The Audit Committee of the Company reviews on a quarterly basis, the details of all related party transactions entered into by the Company during the previous quarter, pursuant to its approvals.

In accordance with Regulation 23 of the Listing Regulations, approval of the shareholders is sought for (a) related party transactions which in a financial year, exceed the lower of (i) 1,000 crore; and (ii) 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company; and (b) any subsequent material modifications thereto as defined by the Audit Committee of the Company.

The values of related party transactions specified in the Tables below exclude duties and taxes.

The approval of the shareholders pursuant to Resolution No. 4 is being sought for the following related party transactions / contracts / agreements / arrangements set out in Table nos. A1 to A6 respectively. In addition to the transactions set out in the Tables below, approval of the shareholders is also being sought for any other transactions between the parties for transfer of resources, services and obligations in the ordinary course of business, on arm's length basis and in compliance with applicable laws, as approved by the Audit Committee. The values of such additional transactions are included in the values set out in each of the Tables below.

The value of transactions (for which the approval is being sought) for the period commencing from April 01, 2024.

The details of transactions as required under Regulation 23(4) of the Listing Regulations read with Section III-B of the SEBI Master Circular bearing reference no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 ("SEBI Master Circular") are set forth below

**A1: Transaction between the Company and Shalin Patel**

Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Shalin Patel. He is Managing Director of the Company. He holds 36.68% of the total capital of the company. His relatives holds 0.07% of total capital of the company.
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Name of Director(s) or Key Managerial Personnel who is related, if any	Shalin Patel, Managing Director is related
Type, tenure, material terms and particulars	Transaction for taking the property on rental basis up to Rs. 2.00 lacs per month for the period of 5 years. However the Board may enter into agreement with Mr. Shalin Patel for lesser period or for such lower amount, which can be renewed by the Board in the best interest of the Company.
Value of the transaction	Maximum value of Rent shall not exceed Rs 2.00 lacs per month
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)	Based on the proposed value of Rs. 2.00 lacs per month the value of the proposed transaction shall not exceed 0.79% of the annual turnover as at year end of 31 <sup>st</sup> March, 2024
If the transaction relates to any loans, intercorporate deposits, advances or investments made or given by the listed entity or its subsidiary:	Not Applicable
( i ) details of the source of funds in connection with the proposed transaction;	Not Applicable
( ii ) where any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investments, • nature of indebtedness; • cost of funds; and • tenure;	Not Applicable
( iii ) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and	Not Applicable
( iv ) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Not Applicable
Justification as to why the RPT is in the interest of the listed entity	Considering the location of the property for the administrative convenience the proposed transaction is in the interest of the Company

Any valuation or other external party report relied upon by the listed entity in relation to the transactions	Not Applicable
Any other information that may be relevant	All relevant / important information forms part of this Statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013

## **A2: Transaction between the Company and Mrs. Chandrabalaben Patel**

Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Mrs. Chandrabalaben Patel. She is the mother of Mr. Shalin Patel, who is the Managing Director of the Company. She holds 0.018% of the total capital of the company. Her relatives holds 36.73% of total capital of the company.
Name of Director(s) or Key Managerial Personnel who is related, if any	Mrs. Chandrabalaben Patel is the mother of Shalin Patel, who is the Managing Director of the Company
Type, tenure, material terms and particulars	Transaction for taking the property on rental basis up to Rs. 1.25 lacs per month for the period of 5 years. However the Board may enter into agreement with Mrs. Chandrabalaben Patel for lesser period or for such lower amount, which can be renewed by the Board in the best interest of the Company.
Value of the transaction	Maximum value of Rent shall not exceed Rs 1.25 lacs per month
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)	Based on the proposed value of Rs. 1.25 lacs per month the value of the proposed transaction shall not exceed 0.49% of the annual turnover as at year end of 31 <sup>st</sup> March, 2024
If the transaction relates to any loans, intercorporate deposits, advances or investments made or given by the listed entity or its subsidiary:	Not Applicable
( i ) details of the source of funds in connection with the proposed transaction;	Not 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;	Not Applicable
( iii ) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and	Not Applicable
( iv ) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Not Applicable
Justification as to why the RPT is in the interest of the listed entity	Considering the location of the property for the administrative convenience the proposed transaction is in the interest of the Company
Any valuation or other external party report relied upon by the listed entity in relation to the transactions	Not Applicable
Any other information that may be relevant	All relevant / important information forms part of this Statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013

### **A3: Transaction between the Company and Mrs. Kavita Shalin Chokshi**

Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Mrs. Kavita Shalin Chokshi. She is the wife of Mr. Shalin Chokshi, who is the Whole Time Director of the Company. She holds 12.15% of the total capital of the company. Her relatives holds 24.58% of total capital of the company.
Name of Director(s) or Key Managerial Personnel who is related, if any	Mrs. Kavita Shalin Chokshi. She is the wife of Mr. Shalin Chokshi, who is the Whole Time Director of the Company.
Type, tenure, material terms and particulars	Transaction for taking the property on rental basis up to Rs. 1.25 lacs per month for the period of 5 years. However the Board may enter into agreement with Mr. Kavita Shalin Chokshi for lesser period or for such lower amount, which can be renewed by the Board in the best interest of the Company.
Value of the transaction	Maximum value of Rent shall not exceed Rs 1.25 lacs per month

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)	Based on the proposed value of Rs. 1.25 lacs per month the value of the proposed transaction shall not exceed 0.49% of the annual turnover as at year end of 31 <sup>st</sup> March, 2024
If the transaction relates to any loans, intercorporate deposits, advances or investments made or given by the listed entity or its subsidiary:	Not Applicable
( i ) details of the source of funds in connection with the proposed transaction;	Not Applicable
( ii ) where any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investments, • nature of indebtedness; • cost of funds; and • tenure;	Not Applicable
( iii ) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and	Not Applicable
( iv ) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Not Applicable
Justification as to why the RPT is in the interest of the listed entity	Considering the location of the property for the administrative convenience the proposed transaction is in the interest of the Company
Any valuation or other external party report relied upon by the listed entity in relation to the transactions	Not Applicable
Any other information that may be relevant	All relevant / important information forms part of this Statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013

#### **A4: Transaction between the Company and Mr. Bharat Chokshi**

Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its	Mr. Bharat Chokshi is the father of whole time Director namely Shalin Chokshi.
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concern or interest (financial or otherwise)	He holds 0% capital in the Company. His relatives holds 36.75% of the total capital of the company.
Name of Director(s) or Key Managerial Personnel who is related, if any	Mr. Bharat Chokshi is the father of whole time Director namely Shalin Chokshi.
Type, tenure, material terms and particulars	Transaction for taking the advisory services required by the Company. Annual fees not to exceed Rs. 20 lacs per annum for the period of 5 years. However the Board may enter into agreement with Mr. Shalin Patel for lesser period or for such lower amount, which can be renewed by the Board in the best interest of the Company.
Value of the transaction	Maximum value of Annual fees not to exceed Rs. 20 lacs per annum
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)	Based on the proposed value of Rs. 20 lacs per annum the value of the proposed transaction shall not exceed 0.66% of the annual turnover as at year end of 31 <sup>st</sup> March, 2024
If the transaction relates to any loans, intercorporate deposits, advances or investments made or given by the listed entity or its subsidiary:	Not Applicable
( i ) details of the source of funds in connection with the proposed transaction;	Not Applicable
( ii ) where any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investments, • nature of indebtedness; • cost of funds; and • tenure;	Not Applicable
( iii ) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and	Not Applicable
( iv ) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Not Applicable

Justification as to why the RPT is in the interest of the listed entity	Considering the vast experience Mr. Bharat Chokshi has in technical and other management field it is necessary to avail his services for the growth of the Company.
Any valuation or other external party report relied upon by the listed entity in relation to the transactions	Not Applicable
Any other information that may be relevant	All relevant / important information forms part of this Statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013

**A5: Transaction between the Company and Arvee Speciality Chemicals Private Limited**

Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Arvee Speciality Chemicals Private Limited is a Company in which Mr. Shalin Patel and Mr. Shalin Chokshi are the Directors of the Company. Both the Directors control 100% share capital of Arvee Speciality Chemicals Private Limited, either directly or indirectly.
Name of Director(s) or Key Managerial Personnel who is related, if any	Arvee Speciality Chemicals Private Limited is a Company in which Mr. Shalin Patel and Mr. Shalin Chokshi are the Directors of the Company. Mr. Shalin Patel is Managing Director of Arvee Laboratories ( India ) Limited and Mr. Shalin Chokshi is the whole time Director of Arvee Laboratories ( India ) Limited
Type, tenure, material terms and particulars	Transaction for rent on property for maximum value of Rs. 20 lacs per annum for the period of 5 years. However the Board may enter into agreement with Mr. Shalin Patel for lesser period or for such lower amount, which can be renewed by the Board in the best interest of the Company.
Value of the transaction	Maximum value of Rent not to exceed Rs. 20 lacs per annum.
The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the	Based on the proposed value of Rs. 20 lacs per annum the value of the proposed transaction shall not exceed 0.66% 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)	annual turnover as at year end of 31 <sup>st</sup> March, 2024
If the transaction relates to any loans, intercorporate deposits, advances or investments made or given by the listed entity or its subsidiary:	Not Applicable
( i ) details of the source of funds in connection with the proposed transaction;	Not Applicable
( ii ) where any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investments, • nature of indebtedness; • cost of funds; and • tenure;	Not Applicable
( iii ) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and	Not Applicable
( iv ) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Not Applicable
Justification as to why the RPT is in the interest of the listed entity	Considering the location of the property for the administrative convenience the proposed transaction is in the interest of the Company
Any valuation or other external party report relied upon by the listed entity in relation to the transactions	Not Applicable
Any other information that may be relevant	All relevant / important information forms part of this Statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013

**A6: Transaction between the Company and B. Chokshi Chem Private Limited**

Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	B. Chokshi Chem Private Limited is a Company in which Mr. Shalin Chokshi is interested either directly or through relative.
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	The relatives of Shalin Chokshi control 100% share capital of B. Chokshi Chem Private Limited.
Name of Director(s) or Key Managerial Personnel who is related, if any	B. Chokshi Chem Private Limited is a Company in which Mr. Shalin Chokshi, Whole Time Director is interested either directly or through relative
Type, tenure, material terms and particulars	Transaction for purchase / sale of goods / services for maximum value of Rs. 500.00 lacs per annum for the period of 5 years. Transaction will be at arm's length basis and on the basis of the prevailing market rates depending upon the product and quality of the product and credit period.
Value of the transaction	Maximum value of transaction of purchase or sale of goods or services not to exceed Rs. 500 lacs per annum.
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)	Based on the proposed value of Rs. 500 lacs per annum the value of the proposed transaction shall not exceed 16.48% of the annual turnover as at year end of 31 <sup>st</sup> March, 2024
If the transaction relates to any loans, intercorporate deposits, advances or investments made or given by the listed entity or its subsidiary:	Not Applicable
( i ) details of the source of funds in connection with the proposed transaction;	Not Applicable
( ii ) where any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investments, • nature of indebtedness; • cost of funds; and • tenure;	Not Applicable
( iii ) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and	Not Applicable

( iv ) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Not Applicable
Justification as to why the RPT is in the interest of the listed entity	Considering the competitive rates and easier and timely availability of materials the proposed transaction is in the interest of the Company
Any valuation or other external party report relied upon by the listed entity in relation to the transactions	Not Applicable
Any other information that may be relevant	All relevant / important information forms part of this Statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013

As per the SEBI Listing Regulations, all related parties of the Company, whether or not a party to the proposed transaction(s), shall abstain from voting on the said resolution.

Mr. Shalin Patel and Shalin Chokshi and their relatives are deemed to be interested in the proposed resolution except to the extent of their shareholding in the Company, if any, in the proposed resolution. Other Directors, Key Managerial Personnel of the Company are not interested in the proposed resolution.

**FOR & ON BEHALF OF THE BOARD OF DIRECTORS OF  
ARVEE LABORATORIES (INDIA) LIMITED**

**Place: Ahmedabad**  
**Dated: 13<sup>th</sup> August, 2024**

Sd/-

**MANAGING DIRECTOR**  
**Shalin Sudhakarbhai Patel**  
**[DIN: 01779902]**

**ARVEE LABORATORIES (INDIA) LIMITED**

**DIRECTOR`S REPORT**

**To**  
**The Members of,**  
**ARVEE LABORATORIES (INDIA) LIMITED**

Your Directors have pleasure in presenting the Annual Report on the business and operations of the Company together with Audited Statement of Accounts for the year ended on 31<sup>st</sup> March 2024 with Auditor's Report thereon.

**Financial Highlights**

<b>Particulars</b>	<b>(Rs. In Thousands)</b>	
	<b>2023-2024</b>	<b>2022-2023</b>
Revenue from Operations	3,03,451.69	6,13,470.92
Other Income	6,399.54	13,515.77
Total Revenue	3,09,851.23	6,26,986.70
Depreciation, Amortisation and Impairment Expense	14,981.64	20,799.98
Financial Expenses	2,494.64	3,879.45
Profit before Tax	18,295.12	61,652.06
Tax Expense -	7,776.77	20,462.04
Profit After Tax	10,518.35	41,190.02

The above performance is based on standalone basis. Consolidated figures are not applicable.

**State of Affairs:**

Total Revenue of the Company has decreased by 50.68%. Net Profit after tax has decreased by about 74.46%.

The Company is taking all the possible steps to increase the profitability.

**Transfer to Reserves (i.e. Other Equity):**

The Opening Balance of Security Premium Reserve stands at Rs. 19,360.00 Thousands whereas the closing balance of Security Premium Reserve stands at Rs. 19,360.00 Thousands.

The Opening Balance of Retained Earnings stands at Rs. 1,51,061.86 Thousands. During the year under review whole of the Profit after tax of Rs. 10,518.35 Thousands has been transferred to Retained Earnings. The Closing Balance of Retained Earnings stands at Rs. 1,61,580.22 Thousands.

**Dividend:**

In order to conserve resources, your Directors do not recommended dividend for the year 2023-24 on Equity Shares of the Company.

**Details regarding Energy Conservation:**

Pursuant to Rule 8 (3) of Companies (Accounts) Rules, 2014, the Board of Directors hereby state as under declare that.

(A) Conservation of energy-	
(i) the steps taken or impact on conservation of energy;	Your Company has installed LED Lights where necessary. Unnecessary use of power is not done.
(ii) the steps taken by the company for utilizing alternate sources of energy;	Nil
(iii) the capital investment on energy conservation equipments;	Nil
(B) Technology absorption-	
(i) the efforts made towards technology absorption;	Nil
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;	Nil
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	Nil
(a) the details of technology imported;	Nil
(b) the year of import;	Nil
(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;	Nil
(iv) the expenditure incurred on Research and Development	Nil
Foreign exchange earnings and Outgo-	
The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.	Foreign Exchange transactions are fully covered with strict limits placed on the amount of uncovered exposure, if any, at any point in time. There are no materially significant uncovered exchange rate risks in the context of Company's imports and exports. The Company accounts for

	mark-to-market gains or losses every quarter end, are in line with the requirements of Ind AS 21.	
	<b>(Amount in Thousands )</b>	
	For year ended on 31 <sup>st</sup> March, 2024	For year ended on 31 <sup>st</sup> March, 2023
Foreign Exchange earnings	63,686.96	3,75,888.99
Foreign Exchange outgo – on account of export sales commission	1523.24	3,220.23
Foreign Exchange outgo – on account of imports	68,515.19	1,17,789.04

**Disclosure of Directors Responsibility Statement:**

As required u/s 134 (5) of the Companies Act, 2013 the Directors hereby state and confirm:

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
- ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year as on 31/03/2024 and of the profit of the company for that period.
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv. The Directors have prepared the annual accounts on a going concern basis.



- v. The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**Listing:**

The Shares of your Company are listed on Capital Market Segment (Main Board) of the National Stock Exchange of India Limited. The Company has paid necessary listing fees for the year 2024 – 2025.

**Details of Material Changes and Commitments, Occurred during the Period affecting financial position of the Company:**

During the year under review there were no significant and material orders passed by any Regulators or Court or Tribunals which may have impact on the going concern status. No order has been passed by any Regulators or Court or Tribunals which may have impact on the Company`s operation in future. Further there is no material change and commitments occurred during the year under review.

**Particulars of Loans, Guarantees and Investments under Section 186 of the Companies Act, 2013:**

The Company has not provided any guarantee or provided any Security to any Person for the loans availed by others.

There are no loans or advances in the nature of loans granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are: (a) repayable on demand; or (b) without specifying any terms or period of repayment

The details regarding the Loans and Advances, Investments, if any, are provided in the Balance Sheet and notes to the Balance Sheet. The loans and advances, if any, provided are for the business purpose.

**Particulars of Contracts or Arrangements with Related Parties under Section 188 of the Companies Act, 2013:**

All contracts / arrangements / transactions, if any, entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm`s length basis. During the year, the Company has not entered into transactions with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. The Policy for determination of Material Related party transaction is available at

[http://arveelabs.com/doc/OTHER\\_POLICIES.pdf](http://arveelabs.com/doc/OTHER_POLICIES.pdf)

No advance is paid to any related party (other than loans and advances) for entering any transaction. No Bad Debts of related parties. There being no 'material' RPTs as defined under regulation 23 of Listing Regulations, 2015, there are no details to be disclosed in Form AOC-2 in this regard.

The details of the related party transactions are disclosed in note 28 to the financial statement which sets out related party disclosures.

**Disclosure of Companies covered under Section 178 (1) on Directors appointment and Remuneration including matters referred under Section 178 (3) of Companies Act, 2013 and Details of Statement indicating manner in which formal annual evaluation made by Board of its Performance and of its Committees and individual Directors:**

The Company has devised a Policy for Directors; appointment and remuneration including criteria for determining qualifications, performance evaluation and other matters of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of both non-executive directors and executive directors.

The Company's Nomination & Remuneration policy which includes the Director's appointment & remuneration and criteria for determining qualifications, positive attributes, independence of the Director & other matters is available on the website of the Company at the link [www.arveelabs.com](http://www.arveelabs.com). [Nomination and Remuneration Policy is annexed and marked as Annexure I](#)

**Declaration by Independent Directors:**

The Independent Directors of the Company namely Sachin Kanwarlal Kansal, Mrs. Shalini Hitesh Jalan and Mrs. Neetu Rishi Jalan have confirmed to the Board that they meet the criteria of independence as specified under Section 149 (6) of the Companies Act, 2013 and they qualify to be independent directors. They have also confirmed that they meet the requirements of independent directors as specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

**Share Capital:**

During the year under review no changes in Share Capital of the Company.

**Issue of Equity Shares with Differential Rights:**

Details required to be stated as per Rule 4 (4) of Companies (Share Capital and Debenture Rules) 2014 is not applicable.

**Disclosure regarding Employee Stock Options:**

Details required to be given as stated in Rule 12 (19) Companies (Share Capital and Debenture Rules) 2014 is not applicable.

**Disclosure regarding Sweat Equity Shares:**

Details required to be given as stated in Rule 8 (13) Companies (Share Capital and Debenture Rules) 2014 is not applicable.

**Auditors and Audit Report:**

M/s. Nirav Patel & Associates, Chartered Accountant continues to hold office as Statutory Auditor of the Company.

There is no qualification or adverse remarks made by the auditors in their report.

**Internal Audit:**

Your Company has appointed M/s. Keval Ponkiya & Associates, Chartered Accountants as internal auditors.

**Cost Audit and Cost Records:**

The Company has maintained adequate Cost records required to be maintained in terms of the Companies Act, 2013. Cost Audit provisions are not applicable to the Company till year ended 31<sup>st</sup> March, 2024.

However now since turnover of the Company has crossed more than Rs. 50 Crores, the provision of Cost Audit has become applicable.

**Disclosure of Risk Management Policy:**

The Company has a structured risk management policy. The Risk management process is designed to safeguard the organization from various risks through adequate and timely actions. It is designed to anticipate, evaluate and mitigate risks in order to minimize its impact on the business. The potential risks are inventoried and integrated with the management process such that they receive the necessary consideration during decision making.

**SECRETARIAL AUDIT**

The Company has obtained a Secretarial Audit Report M/s. Jalan Alkesh & Associates, Company Secretary in Practice to conduct the secretarial audit for the financial year 2023-24. Secretarial Audit is attached and marked as **Annexure II**.

There is no qualification or adverse remarks in the Secretarial Audit Report.

**Secretarial Compliance Report pursuant to Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 is annexed to the Board Report and marked as Annexure III**

During the year under review there is no qualification or adverse remarks made by the Secretarial Auditor namely Jalan Alkesh & Associates, Company Secretaries.

**Board Meetings:**

During the year under review, 5 (Five) Board meetings were held. The dates of Board meetings and attendance details is as under:

<b>Sr. No.</b>	<b>Date of Board Meeting</b>	<b>No. of Directors entitled to attend</b>	<b>No. of Directors who have attended the meeting</b>	<b>Name of the Director who Attended</b>
1	05 <sup>th</sup> May, 2023	6	6	1. Mr. Shalin Sudharkbhai Patel 2. Mr. Shalin Bharat Chokshi 3. Mr. Dipen Dalal 4. Mr. Sachin Kansal 5. Mrs. Neetu Rishi Jalan 6. Mrs. Shalini Hitesh Jalan
2	11 <sup>th</sup> August, 2023	6	6	1. Mr. Shalin Sudharkbhai Patel 2. Mr. Shalin Bharat Chokshi 3. Mr. Dipen Dalal 4. Mr. Sachin Kansal 5. Mrs. Neetu Rishi Jalan 6. Mrs. Shalini Hitesh Jalan
3	02 <sup>nd</sup> September, 2023	6	6	1. Mr. Shalin Sudharkbhai Patel 2. Mr. Shalin Bharat Chokshi 3. Mr. Dipen Dalal 4. Mr. Sachin Kansal 5. Mrs. Neetu Rishi Jalan 6. Mrs. Shalini Hitesh Jalan
4	07 <sup>th</sup> November, 2023	6	6	1. Mr. Shalin Sudharkbhai Patel 2. Mr. Shalin Bharat Chokshi 3. Mr. Dipen Dalal 4. Mr. Sachin Kansal 5. Mrs. Neetu Rishi Jalan 6. Mrs. Shalini Hitesh Jalan
5	13 <sup>th</sup> February, 2024	6	6	1. Mr. Shalin Sudharkbhai Patel 2. Mr. Shalin Bharat Chokshi 3. Mr. Dipen Dalal

				4. Mr. Sachin Kansal 5. Mrs. Neetu Rishi Jalan 6. Mrs. Shalini Hitesh Jalan
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In respect of the above board meetings adequate notice was given to all the Directors together with the agenda. The gap between two Board meetings does not exceed 120 days. Independent Directors meeting was held on 30<sup>th</sup> January, 2024.

**Corporate Governance:**

Corporate Governance forms part and parcel of the Directors Report. The report on Corporate Governance is provided in **Annexure IV**.

**Management Discussion and Analysis Report:**

Management Discussion and Analysis Report as required under Regulation 34 and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached herewith and marked as **Annexure V**.

**Certificate on Corporate Governance Report:**

A Certificate by Practicing Company Secretary for Corporate Governance Report is enclosed herewith and marked as **Annexure VI**.

**Code of Conduct:**

The Board of Directors has already adopted the Code of Ethics and Business Conduct for the Directors and Senior Management personnel. This code is a comprehensive code applicable to all Directors, Executive as well as Non – executive and members of the Senior Management. The Code has been circulated to all the members of the Board and Senior Management Personnel and compliance of the same has been affirmed by them.

A declaration given by the Managing Director is given below:

The Company has obtained from all the members of the Board and Senior Management Personnel of the Company, affirmation that they have complied with the Code of Ethics and Business Conduct framed for Directors and Senior Management Personnel in respect of the financial year 2023-2024.”

The company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company and can be accessed at [www.arveelabs.com](http://www.arveelabs.com)

**Voluntary Revision of Financial Statements / Board Report:**

There was no voluntary revision of financial statements or Board Report during the

financial year.

**Dematerialization of Shares:**

100% Equity Shares of the Company are in Demat form.

**Policies:**

Various policies required under the provision of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 are adopted and uploaded on the website of the Company namely [www.arveelabs.com](http://www.arveelabs.com)

**COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS:**

During the year under review, the Company has duly complied with the applicable provisions of the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India (ICSI).

**Business Responsibility and Sustainability Report:**

Since your Company does not fall in the criteria of top 1000 listed entity based on market capitalization at the end of the year and therefore the provisions of Business Responsibility and Sustainability Report is not applicable to the Company.

**Investor Education and Protection Fund:**

No amount was required to be transferred to Investor Education and Protection Fund.

**Disclosure under Rule 8 (5) of Companies Accounts Rules, 2014:**

**a) Disclosure of financial Summary / Highlights:**

	<b>(Rs. In Thousands)</b>	
<b>Particulars</b>	<b>2023-2024</b>	<b>2022 - 2023</b>
Revenue from Operations	3,03,451.69	6,13,470.92
Other Income	6,399.54	13,515.77
Total Revenue	3,09,851.23	6,26,986.70
Depreciation	14,981.64	20,799.98
Financial Expenses	2,494.64	3,879.45
Profit before Tax	18,295.12	61,652.06
Tax Expense -	7,776.77	20,462.04
Profit After Tax	10,518.35	41,190.02

**b) Disclosure of Change in Nature of Business:**

The Company is engaged in Chemicals. There is no change in nature of Company business.

**c) Details of Directors / Key Managerial Personnel Appointed / Resigned:**

**Appointment:**

During the year under review there is no appointment of Director or Key Managerial Personnel.

Mr. Praveen Kumar Rameshchandra Mishra was appointed as an Additional Director on 24<sup>th</sup> June, 2024.

**Re-Appointment:**

Mr. Shalin Chokshi was re-appointed as a Director liable to retire by rotation.

**Cessation:**

Mr. Dipen Ashit Dalal have ceased to be Director with effect from 26<sup>th</sup> March, 2024. Other than this there was no cessation of any Director or Key Managerial Personnel in the Company.

Further pursuant to provision of Section 149 (10) of the Companies Act, 2013 none of the independent director(s) have completed term of five years and therefore no independent director(s) are eligible for reappointment of second term.

**d) Details of Subsidiary Companies / Joint Ventures / Associate Companies:**

The Company has no subsidiary companies / joint ventures / associate companies either at the beginning of the year or at the end of year or at any time during the year.

**e) Details regarding Deposit covered under Chapter V of the Companies Act, 2013.**

The Company has not invited any deposit other than the exempted deposit as prescribed under the provision of the Companies Act, 2013 and the rules framed there under, as amended from time to time. Hence there are no particulars to report about the deposit falling under Rule 8 (5) (v) and (VI) of Companies (Accounts) Rules, 2014.

**f) Details of Deposit which are not in compliance with requirements of Chapter V of the Act.**

Not Applicable

**g) Details of Significant and Material Orders passed by Regulators or Courts or Tribunals.**

During the year under review there were no significant and material orders passed by any Regulators or Court or Tribunals which may have impact on the going concern status. No order has been passed by any Regulators or Court or Tribunals which may have impact on the Company`s operation in future. Further there is no material change and commitments occurred during the year under review.

**h) Internal financial Controls:**

The Company has identified and documented all key internal financial controls, which impact the financial statements. The financial controls are tested for operating effectiveness through ongoing monitoring and review process of the management and independently by the Internal Auditors. In our view the Internal Financial Controls, affecting the financial statements are adequate and are operating effectively.

**Extract of Annual Return:**

Extract of Annual return pursuant to Section 92 of the Companies Act, 2013 for the year ended on 31<sup>st</sup> March, 2024 is available on the website of the Company i.e. [www.arveelabs.com](http://www.arveelabs.com)

**DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place an Anti-harassment policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee are set up at shop floor level to redress complaints received regularly and are monitored by women line supervisors who directly report to the Chairman. All employees (permanent, contractual, temporary, trainees) are covered under the policy. There was no complaint received from any employee during the financial year 2023-24 and hence no complaint is outstanding as on 31.03.2024 for redressal.

**Particulars of Employees:**

The Particulars of Employees required to be given pursuant to Section 197 of the Companies Act 2013 is provided in **Annexure VII**.

**Non Disqualification of Directors:**

A Certificate obtained from Practicing Company Secretary regarding non-disqualification of Directors of the Company is annexed and marked as **Annexure VIII**.



**Corporate Social Responsibility:**

As Per Section 135 of Companies Act, 2013, a company needs to spend at least 2% of its average net profit for the immediately preceding three financial year on corporate Social responsibility (CSR) Activities. Your Company is covered by the provision of Section 135 of the Companies Act, 2013. The relevant details is specified in **Annexure IX**

**Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status:**

No Application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year.

**Details of difference between of amount of valuation done at the time of one time settlement and the valuation done while undertaking loan from the bank of FI, along with reasons thereof: Not Applicable**

**Acknowledgement**

Your Directors express their gratitude for the continued support, co-operation, and assistance received by the Company from various Central and State Government Department, Bankers and valued customers of the company.

**FOR & ON BEHALF OF THE BOARD OF  
ARVEE LABORATORIES (INDIA) LIMITED**

**Place: Ahmedabad  
Dated: 13<sup>th</sup> August, 2024**

**Sd/-  
CHAIRMAN CUM MANAGING DIRECTOR  
Shalin Sudharkarbhair Patel  
(DIN: 01779902)**

## **ANNEXURE I**

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Listing Agreement, as amended from time to time. This policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

### **CONSTITUTION OF THE COMMITTEE**

The Board of Directors of the Company (Board) constituted the committee to be known as the Nomination and Remuneration Committee consisting of three non-executive directors out of which two shall be the Independent Directors. The Chairman of the Committee shall be an Independent Director.

### **OBJECTIVE AND PURPOSE OF THE POLICY**

The objective of the policy is to ensure that

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

### **ROLE OF THE COMMITTEE:**

The role of the NRC will be the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of Independent Directors and the Board.
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of Director's performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.

- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- To devise a policy on Board diversity, composition, size.
- Succession planning for replacing Key Executives and overseeing.
- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

### **APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT**

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his/her appointment, as per Company's Policy.

A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the position.

The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

### **TERM/TENURE**

#### **Managing Director/Whole Time Director**

The Company shall appoint or re-appoint any person as Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

#### **Independent Director**

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report. No Independent Director shall hold office for more than two consecutive terms of up to maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

### **Evaluation**

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

### **REMOVAL**

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

### **RETIREMENT**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

### **POLICY FOR REMUNERATION TO DIRECTORS/KMP/ SENIOR MANAGEMENT PERSONNEL**

#### **Remuneration to Managing Director/Whole Time Director**

The Remuneration/Commission etc. to be paid to Managing Director/Whole-time Directors, etc. shall be governed as per provisions of the Companies Act,2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company. The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, assist may consider appropriate with regard to remuneration to Managing Director/Whole- time Directors.

#### **Remuneration to Non-Executive /Independent Director**

The Non-Executive/Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

All the remuneration of the Non-Executive/Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197(5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company. Any remuneration paid to Non-Executive/Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:

- (i) The Services are rendered by such Director in his capacity as the Professional; and
- (ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

### **Remuneration to Key Managerial Personnel and Senior Management**

The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive any, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.

The Committee for the purpose of administering the Employee Stock Option/Purchase Schemes, shall determine the stock options and other share based payments to be made to Key Managerial Personnel and Senior Management.

The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time. The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

### **IMPLEMENTATION**

The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate. The Committee may Delegate any of its powers to one or more of its members.

**FOR & ON BEHALF OF THE BOARD OF  
ARVEE LABORATORIES (INDIA) LIMITED**

**Place: Ahmedabad**

**Dated: 13<sup>th</sup> August, 2024**

**Sd/-  
CHAIRMAN CUM MANAGING DIRECTOR  
Shalin Sudharkarbhair Patel  
(DIN: 01779902)**

**Annexure II**

**SECRETARIAL AUDIT REPORT**

**FORM NO. MR-3**

**FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2024**

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

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**To,  
The Members,  
Arvee Laboratories (India) Limited**

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

Based on my verification of the 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, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (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;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (vi) Based on the representation received from the management, we hereby state Other laws applicable specifically to the Company, namely:-
- a) Income Tax Act, 1961
  - b) Goods and Service Tax Act, 2017
  - c) Employees Provident Fund Act
  - d) Employees State Insurance Act, 1948
  - e) Indian Contract Act, 1872
  - f) Negotiable Instruments Act, 1881
  - g) Payment of Gratuity Act, 1972
  - h) Payment of Bonus Act, 1965
  - i) The Indian Contract Act, 1872
  - j) Foreign Trade (Development And Regulation) Act, 1992
  - k) Environment (Protection) Act, 1986
  - l) The Air (Prevention And Control Of Pollution) Act, 1981
  - m) The Water (Prevention And Control Of Pollution) Act, 1974
  - n) Hazardous Wastes (Management And Handling) Rules, 1989
  - o) Factories Act, 1948
  - p) Minimum Wages Act, 1948
  - q) Child Labour (Prohibition And Regulation) Act, 1986
  - r) Industrial Disputes Act, 1947
  - s) Workmen's Compensation Act 1923
  - t) The Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013
  - u) Customs Act, 1962

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

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

During the Period under review, provisions of the following Acts, Rules, Regulations,

Guidelines, Standards, etc. were not applicable to the Company:

- (i) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (ii) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; - **NOT APPLICABLE**
- (iii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **NOT APPLICABLE**
- (iv) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - **NOT APPLICABLE** and
- (v) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998; - **NOT APPLICABLE**

**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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least 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.

As per the Minutes of the meetings duly recorded and signed by the Chairperson the decisions of the Board were unanimously and no dissenting views have been recorded.

**I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For Jalan Alkesh & Associates  
Company Secretaries**

**Sd/-**

**Alkesh Jalan**

**Date : 13<sup>th</sup> August, 2024**

**Place : Ahmedabad**

**FCS: 10620 CP NO: 4580**

**UDIN: F010620F000960448**

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE-A' and forms an integral part of this report.



**ANNEXURE-A**

**To,  
The Members of  
Arvee Laboratories (India) Limited**

Our report of even date is to be read along with this letter:

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

**For Jalan Alkesh & Associates  
Company Secretaries**

Sd/-

**Alkesh Jalan**

**Date : 13<sup>th</sup> August, 2024**

**Place : Ahmedabad**

**FCS: 10620 CP NO: 4580**

**UDIN: F010620F000960448**

**Annexure III**  
**Secretarial Compliance Report of ARVEE LABORATORIES (INDIA) LIMITED**  
**for the financial year ended on 31.3.2024**

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We, Jalan Alkesh & Associates, have examined:

- (a) all the documents and records made available to us and explanation provided by Arvee Laboratories (India) Limited (“the listed entity”),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended 31.3.2024 (“Review Period”) in respect of compliance with the provisions of :

- (a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 – ( *Not Applicable during the year* ) ;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – ( *Not Applicable during the year* ) ;
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ( *Not Applicable during the year* ) ;

(f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 ( *Not Applicable during the year* ) ;

(g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ( *Not Applicable during the year* ) ;

(h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 20

(i) Securities and Exchange Board of India (Registrar to Issue and Share Transfer Agents) Regulations, 1993;  
and circulars/ guidelines issued thereunder;

I/We hereby report that, during the Review Period the compliance status of the listed entity is appended as below:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

<b>Sr. No.</b>	<b>Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)</b>	<b>Regulation / Circular No.</b>	<b>Deviations</b>	<b>Action Taken by</b>	<b>Type of Action</b>	<b>Details of Violation</b>	<b>Fine Amount</b>	<b>Observations/ Remarks of the Practicing Company Secretary</b>	<b>Management Response</b>	<b>Remarks</b>

(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Com-pliance Requirement (Regulations/ circulars/ guide- lines including specific clause)	Regulation / Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Re- marks
1	Submission of Annual Report	34	Delay in submission of annual report to the exchange by 2 days	National Stock Exchange of India Limited	Notice for non-compliance	Delay in submission of annual report to the exchange by 2 days	4720	There was delay in submission of annual report to the exchange by 2 days due to late receipt of proof. Fine of Rs. 4720/- was levied on the company and the same was paid by the company to the exchange.	Late receipt of proof of dispatch of Annual Report from RTA	The Company is now submitting the annual report through NSDL.

Note: Additional information as required vide notices issued by NSE in this regard has been provided in Annexure A and forms integral part of the report.

For, Jalan Alkesh & Associates  
Practicing Company Secretary

Alkesh Jalan

Proprietor

M. No. FCS 10620, Cop: 4580, PR No. : 761/2020

UDIN: F010620F000399987

Place: Ahmedabad

Date: 19/05/2024

**ANNEXURE A**

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations /Remarks by PCS*
1.	<p><b>Secretarial Standards:</b></p> <p>The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.</p>	Yes	
2.	<p><b>Adoption and timely updation of the Policies:</b></p> <ul style="list-style-type: none"> <li>● All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities</li> <li>● All the policies are in conformity with SEBI Regulations and have been reviewed &amp; updated on time, as per the regulations/circulars/guidelines issued by SEBI</li> </ul>	Yes  Yes	
3.	<p><b>Maintenance and disclosures on Website:</b></p> <ul style="list-style-type: none"> <li>● The Listed entity is maintaining a functional website</li> <li>● Timely dissemination of the documents/ information under a separate section on the website</li> <li>● Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/</li> </ul>	Yes  Yes  Yes	

	section of the website		
4.	<p><b>Disqualification of Director:</b></p> <p>None of the Director(s) of the Company is/ are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.</p>	Yes	
5.	<p><b>Details related to Subsidiaries of listed entities have been examined w.r.t.:</b></p> <p>(a) Identification of material subsidiary companies</p> <p>(b) Disclosure requirement of material as well as other subsidiaries</p>	Not Applicable	The Company has no subsidiary Company and hence not applicable.
6.	<p><b>Preservation of Documents:</b></p> <p>The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.</p>	Yes	
7.	<p><b>Performance Evaluation:</b></p> <p>The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.</p>	Yes	

8.	<p><b>Related Party Transactions:</b></p> <p>(a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or</p> <p>(b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained.</p>	<p>Yes</p> <p>N.A.</p>	<p>Since answer to the ( a) above is affirmative</p>
9.	<p><b>Disclosure of events or information:</b></p> <p>The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.</p>	<p>Yes</p>	
10.	<p><b>Prohibition of Insider Trading:</b></p> <p>The listed entity is in compliance with Regulation 3(5) &amp;3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.</p>	<p>Yes</p>	
11.	<p><b>Actions taken by SEBI or Stock Exchange(s), if any:</b></p> <p>No action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder</p>	<p>No</p>	
12.	<p><b>Additional Non-compliances, if any:</b></p> <p>No additional non-compliance observed for any SEBI regulation/circular/guidance note etc.</p>	<p>NA</p>	

Note: Since statutory auditors have not resigned during the financial year 1/4/2023 to 31/03/2024 no comments are given for compliances related to resignation of statutory auditor from listed entity as per SEBI Master circular no. SEBI/HO/CFD/Pod2/CIR/P/2023/120 dated 11<sup>th</sup> July, 2023.

**Assumption and limitation of scope of review**

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity
2. My responsibility is to report based upon my examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the listed entity
4. This report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and is neither an assurance as to the future viability of the listed entity nor the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

**For, Jalan Alkesh & Associates  
Practicing Company Secretary**

**Alkesh Jalan  
Proprietor  
M. No. FCS 10620, Cop: 4580  
PR No. : 761/2020  
UDIN: F010620F000399987**

**Place: Ahmedabad  
Date: 19/05/2024**



## **ANNEXURE IV**

### **CORPORATE GOVERNANCE**

#### **Company Philosophy on Corporate Governance**

Arvee Laboratories (India) Limited (hereinafter referred as “Arvee” or “the Company”) believes in the highest level of accountability towards its stakeholders and actively promotes fair, transparent and ethical Corporate Governance practices. The Company is committed to maintain the highest standards of Corporate Governance and continue to improve the same time to time.

Corporate governance broadly refers to the mechanisms, processes and relations by which company is controlled and directed. Corporate governance includes the processes through which company’s objectives are set and pursued in the context of the social, regulatory and market environment. Governance mechanisms include monitoring the actions, policies, practices, and decisions of companies, their agents, and affected stakeholders.

The Company has adopted the best practices of Corporate Governance over a period of time as per the provisions of SEBI (LODR) Regulations, 2015 and the Companies Act, 2013.

#### **Board of directors**

The Company’s policy is to have an appropriate blend of executive, independent and non-independent directors to maintain independence of the Board and to separate the Board functions of governance from that of management.

#### **Composition**

As per regulation 17(1) (b) of the SEBI Listing Regulations, where the Chairman is non-executive or a promoter, at least one half of the Board of a Company should consist of independent directors. According to the following table this provision is met at Arvee Laboratories (India) Limited.

As on 31 March 2024, the Board consisted of 5 directors, of whom two are executive (including the managing director and Whole time Director), three are non-executive as well as independent (including 2 women independent director) The Board has no institutional nominee director.

**5** Board Meetings were held during the year. The dates of Board meetings and attendance of Director at each Board meeting is detailed in the Directors Report.

<b>Name of the Director and Director Identification Number</b>	<b>Category</b>	<b>Relationship with other Directors</b>	<b>Number of Shares held as at 31<sup>st</sup> March, 2024</b>	<b>Number of Board Meetings attended</b>	<b>Attendance at last Annual General Meeting</b>
Shalin Sudhakarbai Patel  (DIN : 01779902)	Managing Director  [Promoter and Executive ]	Nil	40,42,000	5/5	Yes
Shalin Bharatbai Chokshi  (DIN : 00191903)	Whole time Director  [Promoter and Executive ]	Nil	1,000	5/5	Yes
Shalini Hitesh Jalan  (DIN : 09620065)	Independent and Non-Executive	Nil	0	5/5	Yes
Dipen Ashit Dalal  [DIN : 09219731] (up to 26.3.2024)	Independent and Non-Executive	Nil	0	5/5	Yes
Neetu Rishi Jalan  [DIN : 08719470]	Independent and Non-Executive	Nil	0	5/5	Yes
Sachin Kanwarlal Kansal  [DIN : 03566139]	Independent and Non-Executive	Nil	0	5/5	Yes

None of the above mentioned Directors have attained the age of 75 years. No convertible instrument is issued by the Company and therefore no convertible instrument is held by any Director.

### **Board Diversity**

The Board comprises adequate number of members with diverse experience and skills, such that it best serves the governance and strategic needs of the Company. The directors are persons of eminence in areas such as business, industry, finance, law, administration, economics etc. and bring with them experience and skills which add value to the performance of the Board. The directors are selected purely on the basis of merit with no discrimination on race, colour, religion, gender or nationality.

A brief profile of the directors is available on the website of the Company at [www.  
http://arveelabs.com/doc/BOARD\\_OF\\_DIRECTORS.pdf](http://arveelabs.com/doc/BOARD_OF_DIRECTORS.pdf)

### **Opinion of the Board**

The Board confirms that, in its opinion, the independent directors on the Board fulfil the conditions specified in the SEBI Listing Regulations and the Act and are independent of the management.

### **Information supplied to the Board**

In advance of each meeting, the Board is presented with relevant information on various matters related to the working of the Company, especially such that require deliberation at the highest level. Presentations are also made to the Board by different functional heads on important matters from time to time. Directors have separate and independent access to the officers of the Company. In addition to such items as required to be placed before the Board for its noting and/or approval, information is provided on various other significant items as well.

In terms of quality and importance, the information supplied by the management to the Board of the Company is far ahead of the list mandated under regulation 17(7) read with Part A of Schedule II to the SEBI Listing Regulations.

The independent directors of the Company at their meeting held on 30<sup>th</sup> January, 2024 have expressed satisfaction on the quality, quantity and timeliness of flow of information between the Company's management and the Board and have confirmed that these significantly aid the Board to effectively and reasonably perform its duties.

Pursuant to various regulatory requirements and in compliance with applicable laws and keeping in view the business requirements, the Board is, inter alia, apprised on the following:

- Business plans, forecast and strategic initiatives.
- Capital expenditure and updates.
- Internal financial controls.
- Succession planning and organization structure.
- Details of incidence of frauds and corrective action taken thereon.
- Performance of subsidiaries.
- Status of compliances with Companies Act, 2013, SEBI regulations and shareholder related matters.
- Various policies framed by Company from time to time.

- Risk management system, risk management policy and strategy followed.
- Compliance with corporate governance standards.
- Minutes of Board committees.
- Compliance with fair practices code.

The Board has identified core skills/expertise/competencies required in the context of business of the Company. Details regarding Directors who possess such skills/expertise/competencies are provided in the table below:

### **Directors and officers liability insurance (D&O policy)**

The Company is not required to obtain Directors and Officers Liability Insurance Policy.

### **Orderly succession to Board and senior management**

Pursuant to regulation 17(4) of the SEBI Listing Regulations, the framework of succession planning for the Board and senior management is placed before the Board for its review. During the year under review, the Board of the Company satisfied itself that plans are in place for orderly succession of such appointments.

Directorship and Membership of Board Committees in other Listed Companies and Unlisted Public Companies as on 31<sup>st</sup> March, 2024

<b>Name of the Director</b>	<b>Directorship in other Listed Entities</b>	<b>Directorship in Unlisted Public Limited Companies</b>	<b>Committee positions in other listed and unlisted public limited companies</b>
Shalin Sudhakarbai Patel	1	0	2 [Member of Audit Committee and Stakeholders Committee of Shree Rama Multi Tech Limited]
Shalin Bharatbhai Chokshi	0	0	0
Sachin Kanwarlal Kansal	1	0	2 [Chairman of Audit Committee and Stakeholders Committee of Premier Synthetics Limited]
Neetu Rishi Jalan	1	0	0
Shalini Hitesh Jalan	0	2	1 [Member of Audit Committee]

**Notes:** None of the directors holds office as a director, including as alternate director, in more than 20 companies at the same time. None has directorships in more than 10 public companies. For reckoning the limit of public companies, directorships of private

companies that are either holding or subsidiary company of a public company are included and directorships in dormant companies are excluded.

For the purpose of considering the limit of the committees in which a director can serve, all public limited companies, whether listed or not, have been included and all other companies including private limited companies, foreign companies and companies under section 8 of the Act, have been excluded. **Only audit committees and stakeholders' relationship committees are considered for the purpose of reckoning committee positions.**

As per declarations received, none of the directors serves as an independent director in more than seven equity listed companies or in more than three equity listed companies in case he or she is a whole-time director in any listed company.

None of the directors was a member in more than 10 committees, nor a chairperson in more than five committees across all companies in which he/she was a director. Notwithstanding the number of directorships, as has been highlighted herein, the outstanding attendance record and participation of the directors in Board and committee meetings indicate their commitment and ability to devote adequate time to their responsibilities as the Company's fiduciaries.

### **Certificate from practicing Company Secretary**

The Company has received a certificate from Alkesh Jalan, practicing Company Secretary to the effect that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of the Company by the Ministry of Corporate Affairs or any other statutory authority. This certificate forms part of this report.

### **Review of legal compliance reports**

The Board periodically reviews compliance reports with respect to the various laws applicable to the Company, as prepared and placed before it by the management.

### **Code of conduct**

Regulation 17(5) of the SEBI Listing Regulations, requires listed companies to lay down a code of conduct for its directors and senior management, incorporating duties of directors as laid down in the Act. The same is displayed on the website of the Company namely [http://arveelabs.com/doc/CODE\\_OF\\_CONDUCT.pdf](http://arveelabs.com/doc/CODE_OF_CONDUCT.pdf)

All directors and senior management personnel have affirmed compliance with the code for FY2024.

### **DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

(Pursuant to Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013)

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website.

I confirm that the Company has in respect of the year ended March 31, 2024, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Chief Financial Officer, HR, Marketing Head and the Company Secretary as on March 31, 2024.

**Sd/-**

**Shalin Patel**

**Chairman cum Managing Director of Arvee Laboratories (India) Limited  
Ahmedabad, August 13, 2024**

#### **Maximum tenure of independent directors**

The maximum tenure of independent directors is in accordance with the Act and regulation 25(2) of the SEBI Listing Regulations.

#### **Formal letter of appointment to independent directors**

The Company issues a formal letter of appointment to independent directors in the manner as provided in the Act. As per regulation 46(2) of the SEBI Listing Regulations, the terms and conditions of appointment of independent directors are available on the Company's website namely [http://arveelabs.com/doc/TERMS\\_AND\\_CONDITIONS\\_FOR\\_APPOINTMENT\\_OF\\_INDEPENDENT\\_DIRECTOR.pdf](http://arveelabs.com/doc/TERMS_AND_CONDITIONS_FOR_APPOINTMENT_OF_INDEPENDENT_DIRECTOR.pdf)

#### **Familiarization Programme**

With a view to familiarizing the independent directors with the Company's operations, as required under regulation 25(7) of the SEBI Listing Regulations, the Company has held various familiarization programmes for the independent directors throughout the year on an ongoing and continuous basis.

The details of familiarization programmes are placed on website of the Company namely [http://arveelabs.com/doc/FAMILIARIZATION\\_PROGRAMMES\\_IMPARTED\\_TO\\_INDEPENDENT\\_DIRECTORS.pdf](http://arveelabs.com/doc/FAMILIARIZATION_PROGRAMMES_IMPARTED_TO_INDEPENDENT_DIRECTORS.pdf)

### **Whistle Blower Policy/Vigil mechanism**

Pursuant to section 177(9) of the Act, regulation 22 of the SEBI Listing Regulations and SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, the Board of Directors have adopted the Whistle Blower Policy.

The Whistle Blower Policy/Vigil mechanism provides a mechanism for the director/employee to report without fear of victimization, any unethical behaviour, suspected or actual fraud, violation of the Code of Conduct and instances of leak of Unpublished Price Sensitive Information, which are detrimental to the organization's interest. The mechanism protects whistle blower from any kind of discrimination, harassment, victimization or any other unfair employment practice. The Company affirms that no employee has been denied access to the Audit Committee.

The directors in all cases and employees in appropriate cases will have direct access to the Chairman of the Audit Committee. The said Policy is placed on the Company's website [http://arveelabs.com/doc/VIGIL\\_MECHANISM.pdf](http://arveelabs.com/doc/VIGIL_MECHANISM.pdf)

### **Dividend Distribution Policy**

Pursuant to Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) the Company has adopted dividend distribution policy. The details of distribution policy is available on the website of the Company namely [http://arveelabs.com/doc/Dividend\\_Policy.pdf](http://arveelabs.com/doc/Dividend_Policy.pdf)

### **Material Subsidiary Company Policy**

As at 31<sup>st</sup> March 2024 the Company has no subsidiary. Further during the year under review there was no material subsidiary Company as defined under regulation 16(1)(c) of the SEBI Listing Regulations.

The policy on 'material subsidiaries' in terms of regulation 16(1) (c) of the SEBI Listing Regulations is available on website of Company namely [http://arveelabs.com/doc/OTHER\\_POLICIES.pdf](http://arveelabs.com/doc/OTHER_POLICIES.pdf)

Provisions to the extent applicable as required under regulation 24 of the SEBI Listing Regulations with reference to subsidiary companies were duly complied with.

### **Related Party Transactions**

All related party transactions (RPTs) which were entered into by the Company during the year under review, were on arms' length basis and in the ordinary course of business and did not attract provisions of section 188 of the Act and were also not material RPTs as per regulation 23 of the SEBI Listing Regulations.

All RPTs during the year 2023-24 were entered into with the approval of the Audit

Committee pursuant to provisions of Act and the SEBI Listing Regulations. The details of such transactions were placed before the Audit Committee for noting/review, on a quarterly basis.

A statement showing the disclosure of transactions with related parties as required under Indian Accounting Standard 24 (Ind AS 24) is set out separately in this Annual Report. There were no material transactions entered into with related parties, during the year under review, which may have had any potential conflict with the interests of the Company. The Policy on materiality of RPTs stipulating the threshold limits and also on dealing with RPTs pursuant to SEBI Listing Regulations has been placed on the Company's website

[http://arveelabs.com/doc/RELATED\\_PARTY\\_TRANSACTION\\_POLICY.pdf](http://arveelabs.com/doc/RELATED_PARTY_TRANSACTION_POLICY.pdf)

### **Disclosures**

Suitable disclosures have been made in the financial statements, together with the Management's explanation in the event of any treatment being different from that prescribed in the Ind AS.

### **Core Skill/Expertise/Competencies**

As stipulated under Schedule V of the SEBI Listing Regulations, core skills/expertise/competencies, as required in the context of the business and sector for it to function effectively and those actually available with the Board have been identified by the Board of Directors.

As a green initiative, the Chart/Matrix of such core skills/expertise/competence along with the names of directors who possess such skills is as under:

Core Skills/ Expertise/ competencies	Financial Management	Leadership	Technology	Production and Engineering	Legal and Tax	Human Resource	Sales and Marketing	Board and Corporate Governance	Business Strategy and Systems
Availability with Board	√	√	√	√	√	√	√	√	√
Shalin Chokshi	√	√	√	√	√	√	√	√	√
Shalin Patel	√	√	√	√	√	√	√	√	√
Shalini Jalan		√				√		√	
Neetu Jalan		√				√		√	
Sachin Kansal	√	√			√	√		√	√



## **Committees**

### **a. Audit Committee**

The Audit Committee is in accordance with section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations.

The Board reviews the working of the Committee from time to time to bring about greater effectiveness in order to comply with the various requirements under the Act and the SEBI Listing Regulations.

In compliance with the provisions of the Act and the SEBI Listing Regulations, all the members are independent, non-executive directors and are financially literate and have accounting or related financial management expertise.

The detailed terms of reference of Audit Committee have been placed on the Company's website <http://arveelabs.com/doc/COMMITTEES.pdf>

The composition of audit committee as on 31<sup>st</sup> March, 2024 is as under:

<b>Name of the Director</b>	<b>Status in Audit Committee</b>
Sachin Kanwarlal Kansal	Chairperson of Committee
Dipen Ashit Dalal ( up to 26.3.2024 )	Member
Neetu Rishi Jalan ( w.e.f. 31.3.2024 )	Member
Shalin Sudhakarbhair Patel	Member

Mr. Sachin Kanwarlal Kansal acts as a Chairman of the Committee. The Company Secretary of the Company acts as the Secretary to the Audit committee. All the recommendations of the audit committee have been accepted. The audit Committee met 4 times on following dates:

<b>Date of Audit Committee Meeting</b>	<b>No of Directors entitled to attend the meeting</b>	<b>No. of Directors attending the meeting</b>	<b>Attended by Director</b>
05 <sup>th</sup> May, 2023	3	3	1. Mr. Sachin Kansal 2. Mr. Dipen Dalal 3. Mr. Shalin Patel
11 <sup>th</sup> August, 2023	3	3	1. Mr. Sachin Kansal 2. Mr. Dipen Dalal 3. Mr. Shalin Patel
07 <sup>th</sup> November, 2023	3	3	1. Mr. Sachin Kansal 2. Mr. Dipen Dalal 3. Mr. Shalin Patel
13 <sup>th</sup> February, 2024	3	3	1. Mr. Sachin Kansal 2. Mr. Dipen Dalal 3. Mr. Shalin Patel

All the recommendations of audit committee were accepted by the Board. Mr. Sachin Kansal, Chairman of audit committee at the relevant time, was present at the annual general meeting for the year 2024 to answer shareholders queries. The Company Secretary acts as secretary of the Committee.

**b. Nomination and Remuneration Committee**

The Nomination and Remuneration Committee is constituted in accordance with section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations.

The detailed terms of reference of Nomination and Remuneration Committee have been placed on the Company’s website namely <http://arveelabs.com/doc/COMMITTEES.pdf>

The role of Nomination and Remuneration Committee is as under:

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. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
3. Devising a policy on diversity of Board of Directors.
4. 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.
5. 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.
6. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

The composition of Nomination and Remuneration Committee as on 31<sup>st</sup> March, 2024 is as under

<b>Name of the Director</b>	<b>Status in Nomination and Remuneration Committee</b>
Dipen Ashit Dalal ( up to 26.3.2024 )	Chairman of Committee
Sachin Kanwarlal Kansal	Member
Neetu Rishi Jalan	Member

The Company Secretary acts as a secretary of the Committee.

Four (4) Meetings of Nomination and Remuneration Committee were held during the

year under review as per details below:

<b>Date of Meeting of Nomination and Remuneration Committee</b>	<b>No. of Directors entitled to attend the meeting</b>	<b>No. of Directors attended the meeting</b>	<b>Attended by Director</b>
05 <sup>th</sup> May, 2023	3	3	1. Mr. Dipen Ashit Dalal 2. Mr. Sachin Kanwarlal Kansal 3. Mrs. Neetu Jalan
11 <sup>th</sup> August, 2023	3	3	1. Mr. Dipen Ashit Dalal 2. Mr. Sachin Kanwarlal Kansal 3. Mrs. Neetu Jalan
07 <sup>th</sup> November, 2023	3	3	1. Mr. Dipen Ashit Dalal 2. Mr. Sachin Kanwarlal Kansal 3. Mrs. Neetu Jalan
13 <sup>th</sup> February, 2024	3	3	1. Mr. Dipen Ashit Dalal 2. Mr. Sachin Kanwarlal Kansal 3. Mrs. Neetu Jalan

All the recommendation of Nomination and Remuneration Committee were accepted by the Board.

### **c. Stakeholders' Relationship Committee**

The Stakeholders' Relationship Committee is in accordance with section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations.

The terms of reference of the Stakeholders' Relationship Committee include the following:

1. Redressal of shareholders'/investors' complaints.
2. Reviewing on a periodic basis the approval of transfer or transmission of shares, debentures or any other securities made by the Registrar and Share Transfer Agent;
3. Issue of duplicate certificates and new certificates on split/consolidation/renewal.
4. Non-receipt of declared dividends, balance sheets of the Company.
5. Carrying out any other function as prescribed under the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The composition of Stakeholders Relationship Committee as on 31<sup>st</sup> March, 2024 is as under:

<b>Name of the Director</b>	<b>Status in Stakeholders' Relationship Committee</b>
Dipen Ashit Dalal	Chairman of the Committee
Sachin Kanwarlal Kansal	Member
Shalin Sudhakarbhair Patel	Member

Four (4) Meetings of Stakeholders Committee was held during the year. The details are as under:

<b>Date of Meeting of Stakeholders Committee</b>	<b>No. of Directors entitled to attend meeting</b>	<b>No. of Directors attending the Meeting</b>	<b>Attended by Director</b>
05 <sup>th</sup> May, 2023	3	3	1. Mr. Dipen Ashit Dalal 2. Mr. Sachin Kanwarlal Kansal 3. Mr. Shalin Sudhakarbhair Patel
11 <sup>th</sup> August, 2023	3	3	1. Mr. Dipen Ashit Dalal 2. Mr. Sachin Kanwarlal Kansal 3. Mr. Shalin Sudhakarbhair Patel
07 <sup>th</sup> November, 2023	3	3	1. Mr. Dipen Ashit Dalal 2. Mr. Sachin Kanwarlal Kansal 3. Mr. Shalin Sudhakarbhair Patel
13 <sup>th</sup> February, 2024	3	3	1. Mr. Dipen Ashit Dalal 2. Mr. Sachin Kanwarlal Kansal 3. Mr. Shalin Sudhakarbhair Patel

The Company Secretary acts as a secretary of the Committee. All recommendations of Stakeholders Committee have been accepted by the Board.

Mrs. Raina Singh, Company Secretary is the compliance officer. No complaints was received during the year and no complaints were pending at the end of year.

**Risk Management Committee:** Not Applicable.

### **Independent Directors' Meeting**

In compliance with Schedule IV to the Companies Act, 2013 and regulation 25(3) of the SEBI Listing Regulations, the independent directors held their separate meeting on 30<sup>th</sup> January, 2024, without the attendance of non-independent directors and members of the management, to inter alia discuss the following:

- i) Review the performance of Chairperson and Non-Independent Directors of the Company
  - ii) Review the performance of the entire Board of Directors of the Company as a whole;
  - iii) Ensured the adequate deliberations on Related Party Transactions
  - iv) Ensured that the Company has adequate and functional Vigil mechanism
- i) Review of Vigil Mechanism;
  - ii) Review the performance of non-independent directors and the Board as a whole;

- iii) Review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors;
- iv) Assess 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;
- v) Noting and review of Informal meeting with senior management personnel.

All independent directors were present at the meeting. The independent directors present elected Mr. Dipen Ashit Dalal as Chairman for the meeting, deliberated on the above and expressed their satisfaction on each of the matters.

### **Pecuniary relationship/transaction with non-executive directors**

During the year under review, there was no pecuniary relationship/transaction with any non-executive director of the Company.

### **Payments to Non-Executive Directors:**

No payment was made to any Non-Executive Directors.

### **Executive directors**

During the year under review, the Company paid remuneration to Shalin Patel, Executive Chairman cum Managing Director of Rs. 3,714 Thousands and Shalin Chokshi, Whole Time Director of the Company of Rs. 3,714 Thousands.

### **Disclosure of material transactions**

Pursuant to regulation 26(5) of the SEBI Listing Regulations, the Senior Management has made periodical disclosures to the Board relating to all material financial and commercial transactions, where they had (or were deemed to have had) personal interest that might have been in potential conflict with the interest of the Company. The same was Nil.

### **Shareholding of directors**

Information on shares held by directors in the Company as on 31 March 2024 is as under:

Sl. No		Shareholding at the beginning of the year [ 1.4.2023 ]		Shareholding at the end of the year [ 31.3.2024 ]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Shalin Sudhakarbhair	40,42,000	36.68	40,42,000	36.68

	Patel				
2	Shalin Bharatbhai Chokshi	1,000	0.01	1,000	0.01
3	Neetu Jalan	0	0	0	0
4	Sachin Kanwarlal Kansal	0	0	0	0
5	Dipen Ashit Dalal ( up to 26.3.2024 )	0	0	0	0
6	Shalini Jalan	0	0	0	0

### **Compliances regarding insider trading**

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company had a Board-approved Code of Conduct to regulate, monitor and report trading by insiders ('Code of Conduct') and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ('Code of Fair Disclosure'). The Code of conduct is available on website of the company namely [http://arveelabs.com/doc/DISCLOSURE\\_OF\\_UNPUBLISHED\\_PRICE\\_SENSITIVE\\_INFORMATION.pdf](http://arveelabs.com/doc/DISCLOSURE_OF_UNPUBLISHED_PRICE_SENSITIVE_INFORMATION.pdf)

### **Means of Communication**

The Company has its own website, [www.arveelabs.com](http://www.arveelabs.com) which contains all important public domain information including presentations, if any, made to the media, analysts and institutional investors.

The website contains information as prescribed under the Act and SEBI Listing Regulations including details of the corporate contact persons and share transfer agent of the Company, shareholding pattern etc.

Section 20 and 136 of the Act, read with Companies (Accounts) Rules, 2014 permit companies to service delivery of documents electronically on the registered members'/shareholders' email addresses. The Company, during the year under review, sent documents, such as notice calling the general meeting, audited financial statements, directors' report, auditors' report etc. in electronic form at the email addresses provided by the shareholders. Shareholders desiring to receive the said documents in physical form continued to get the same in physical form, upon request, during the year under review.

All financial and other vital official news releases and documents under the SEBI Listing Regulations are also communicated to the concerned stock exchanges, besides being placed on the Company's website [www.arveelabs.com](http://www.arveelabs.com)

### **Information on general body meetings held during the last three years and details of special resolution(s) passed**

<b>Details of AGM</b>	<b>Date and Time of Annual General Meeting and Venue</b>	<b>Details of Special Resolution(s) passed, if any.</b>
9 <sup>th</sup> AGM	Tuesday, 29 <sup>th</sup> September, 2020 at 11.00 a.m. through Audio Video Conference Mode	1. Capitalization of Reserves for the issue of Bonus Shares in ratio of 1 : 1
10 <sup>th</sup> AGM	Friday, 24 <sup>th</sup> September, 2021 at 11:30 a.m. at the Registered Office of the Company situated at 403, Entice, Nr. Jayantilal Park BRTS, Iskcon-Bopal Road, Ambli, Ahmedabad, Gujarat – 380058	1. for appointment of Mrs. Neetu Rishi Jalan as an Independent Director 2. for grant of loans, or providing Security or Guarantee for the loans availed by other entities in which the Directors of the Company are interested 3. for remuneration for remaining tenure of Shalin Sudhakarbai Patel Managing Director of the Company 4. for remuneration for remaining tenure of Shalin Bharatbhai Chokshi Whole Time Director of the Company 5. for appointment of Mr. Dipen Ashit Dalal as an Independent Director
11 <sup>th</sup> AGM	Thursday, 4 <sup>th</sup> day of August, 2022 at 11:30 a.m. at the Registered Office of the Company situated at 403, Entice, Nr. Jayantilal Park BRTS, Iskcon-Bopal Road, Ambli, Ahmedabad, Gujarat - 380058	1. Appointment of Mrs. Shalini Hitesh Jalan as an Independent Director 2. Re-appointment of Mr. Shalin Sudhakarbai Patel as a Managing Director 3. Re-appointment of Mr. Shalin Bharatbhai Chokshi as a Whole Time Director 4. Appointment of Mr. Sachin Kanwarlal Kansal as an Independent Director
12 <sup>th</sup> AGM	Friday, 22 <sup>nd</sup> day of September, 2023 at 11:30 a.m. at the Registered Office of the Company situated at 403, Entice, Nr.	Nil

	Jayantilal Park BRTS, Iskcon-Bopal Road, Ambli, Ahmedabad, Gujarat - 380058	
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### **Postal Ballot**

During the year under review, no resolution was passed through Postal Ballot. However during the year 2020 – 2021, the Company has passed Special resolution through Postal Ballot Process for Migration of Listing/ Trading of Equity Shares of the Company from SME Platform (EMERGE) of National Stock Exchange of India (NSE) to Main Board of NSE.

The results of the Postal ballot are available on the website of the Company.

### **Details of capital market non-compliance, if any**

During the year 2022 – 2023 there was delay in submission of annual report to the exchange by 2 days pursuant to Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 and accordingly the exchange has imposed a fine of Rs. 4720/- on the Company.

The Company has paid the amount of fine.

Other than above mentioned, there was no non-compliance by the Company of any legal requirements; nor has there been any penalty/stricture imposed on the Company by any stock exchange, SEBI or any statutory authority on any matter related to capital markets during the last three years.

### **Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The disclosure as required under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is given in the Directors' Report of the Company.

### **Compliance Certificate**

The MD and the CFO 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 Listing Regulations

### **Annual General Meeting**

13th Annual General Meeting of the members of Arvee Laboratories ( India ) Limited will be held at on Saturday, 28<sup>th</sup> day, of September, 2024 at 11:30 a.m. at the Registered



Office of the Company situated at 403, Entice, Nr. Jayantilal Park BRTS, Iskcon-Bopal Road, Ambli, Ahmedabad, Gujarat - 380058

### **Book Closure Dates**

Wednesday 18<sup>th</sup> September, 2024 to Sunday, 22<sup>nd</sup> September, 2024 (both days inclusive)

**Financial Year: April 1 to March 31**

**Financial Calendar year (2023 – 2024)**

<b>Quarterly Results</b>	<b>Schedule</b>
Quarter ended on 30 <sup>th</sup> June, 2024	On 13 <sup>th</sup> August, 2024
Quarter ended on 30 <sup>th</sup> September, 2024	On or before 14 <sup>th</sup> November, 2024 (tentative)
Quarter ended on 31 <sup>st</sup> December, 2024	On or before 14 <sup>th</sup> February, 2025 (tentative)
Quarter ended on 31 <sup>st</sup> March, 2025	On or before 30 <sup>th</sup> May, 2025 (tentative)

### **Dividend**

Not Applicable.

### **Plant Locations**

Survey No. 316, Bhavnagar-Shihor Road Navagam (Kardej), Post Vartej - 364060, Bhavnagar, Gujarat, India

### **Global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity**

There are no outstanding Global depository receipts or American depository receipts or warrants or any convertible instruments.

### **Fund Raising**

During the year under review the Company has not made any preferential issue of shares or Qualified Institutional Placement and therefore no fund raising activity was carried out.

### **Commodity price risk or foreign exchange risk and hedging activities**

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given.

## **Share Transfer System**

SEBI amended regulation 40 of SEBI Listing Regulations, 2015, prohibiting transfer of securities (except transmission or transposition of shares) in physical form from 1 April 2019. During FY 2024, no shares were transferred in the physical form except for those for whom the transfer deed was lodged prior to 1 April 2019 and were returned due to deficiency in the document and were thus re-lodged post 1 April 2019.

## **Dematerialization of Shares**

100% shares of the Company are in dematerialized form.

## **Position of Shares as on 31<sup>st</sup> March, 2024**

<b>Mode</b>	<b>No. of Records</b>	<b>% of total records</b>	<b>Number of Shares</b>	<b>% of Total Issued Capital</b>
NSDL	329	24.98	111330	1.01
CDSL	988	75.02	10908670	98.99
Physical	0	0	0	0
<b>Total</b>	<b>1504</b>	<b>100.00</b>	<b>1,10,20,000</b>	<b>100</b>

**ISIN: INE006Z01016**

**Corporate Identity Number: L24231GJ2012PLC068778**

## **Stock Code**

The Shares of the Company are listed on National Stock Exchange of India ( Main Board ) Exchange Plaza, 5th Floor Plot No.C-1, G Block Bandra-Kurla Complex Bandra (East), Mumbai 400 051 and Scrip code is ARVEE. The Company has paid listing fees for the year 2022 – 2023. The Company has paid listing fees for the year 2023 – 2024.

## **Monthly High and Low Price of the Shares of the Company on National Stock Exchange of India**

<b>Month</b>	<b>High</b>	<b>Low</b>	<b>Traded Volume (In Lacs)</b>	<b>Traded Value (In Lacs)</b>
April, 2023	142.95	89	0.54	67.12
May, 2023	122.50	105.10	0.25	28.39
June, 2023	149.00	98.10	0.57	73.81
July, 2023	124.55	107.50	0.11	12.32
August, 2023	119.45	103.60	0.11	11.84
September, 2023	124.95	105.45	0.17	19.07
October, 2023	136.25	105.25	1.22	152.12
November, 2023	144.95	110.40	0.89	111.10

December, 2023	209.20	121.50	3.94	722.68
January, 2024	178.00	149.00	0.31	52.43
February, 2024	164.10	133.00	0.24	35.96
March, 2024	151.80	117.05	0.36	49.48

### **Distribution of Shareholding according to size**

SR NO	SHAREHOLDING OF NOMINAL		NUMBER OF SHAREHOLDERS	% of total	AMOUNT OF SHARES	% TO TOTAL Shares
1	1	5000	1224	92.94	613580	0.56
2	5001	10000	34	2.59	261430	0.23
3	10001	20000	24	1.82	403180	0.37
4	20001	30000	7	0.53	183270	0.17
5	30001	40000	15	1.14	584040	0.53
6	40001	50000	1	0.07	50000	0.04
7	50001	100000	2	0.15	135000	0.12
8	100001	999999999	10	0.76	107969500	97.98
<b>TOTAL</b>			<b>1317</b>	<b>100</b>	<b>1,10,20,0000</b>	<b>100</b>

### **Distribution of shareholding across categories**

Distribution of Shareholding across categories as at 31<sup>st</sup> March, 2024 is as under:

Category	No. of Shares	% of total Capital
Individuals / HUF of Promoter and Promoter Group	8100000	73.5
Individuals ( Public )	2886508	26.2
HUF / Trust / Body Corporate / Clearing Member / NRI ( Public )	33492	0.30
<b>Total</b>	<b>11020000</b>	<b>100</b>

### **Shareholders' and investors' grievances**

The Board of Directors of the Company has a Stakeholders' Relationship Committee to specifically look into and resolve grievances of security-holders on various matters. No complaint is received during the year.

### **SEBI Complaints Redress System (SCORES)**

SEBI administers a centralized web-based complaints redress system (SCORES). It enables investors to lodge and follow up complaints and track the status of redressal online on the website [www.scores.gov.in](http://www.scores.gov.in). It also enables the market intermediaries and listed companies to receive the complaints from investors against them, redress such complaints and report redressal. All the activities starting from lodging of a complaint till its disposal are carried online in an automated environment and the status of every complaint can be viewed online at any time. The Company has registered itself on

SCORES and endeavors to resolve all investor complaints received through SCORES. There was no unattended or pending investor grievance as on March 31, 2024.

Details of Investor Complaints Received and redressed during the year 2023-24 are as follows:

<b>Opening Balance</b>	<b>Received during the year</b>	<b>Resolved during the year</b>	<b>Closing Balance</b>
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### **Investor Education and Protection Fund**

No amount was required to be transferred to the Investor Education and Protection Fund.

### **Unclaimed Shares Suspense Account**

As per Regulation 34(3) and 39(4) read with Schedule V of the Listing Regulations, no shares are to be required to be transferred to Unclaimed Shares Suspense Account and consequently the applicable details are nil or not applicable.

### **Credit Rating**

The Company has neither issued any debt instruments nor undertaken any fixed deposit programme or any scheme or proposal involving mobilization of funds, whether in India or abroad.

### **Share Transfer Agent**

The work related to Share Transfer agent of the Company is handled by Bigshare Services Private Limited and accordingly, processing of share transfer/dematerialization/dematerialization and allied activities was outsourced to Bigshare Services Private Limited. All physical transfers (to the extent permitted), transmission, transposition, issue of duplicate share certificate(s), issue of demand drafts in lieu of dividend warrants etc. as well as requests for dematerialization/rematerialisation are being processed in periodical cycles by Bigshare Services Private Limited. The work related to dematerialization/rematerialisation is handled by Bigshare Services Private Limited through connectivity with NSDL and CDSL.

### **Address of Share Transfer Agent**

Bigshare Services Private Limited Registered Office : 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai – 400059.

**Company Secretary and Compliance Officer**

Mrs. Raina Singh Company Secretary  
403, Entice, Nr. Jayantilal Park BRTS, Iskcon Bopal Road, Ambli, Ahmedabad 380058.

**Address for Correspondence**

Arvee Laboratories (India) Limited  
403, Entice, Nr. Jayantilal Park BRTS, Iskcon Bopal Road, Ambli, Ahmedabad 380058.  
Email: [compliance@arveelabs.com](mailto:compliance@arveelabs.com)  
[www.arveelabs.com](http://www.arveelabs.com)

**Email id for Investor Grievance:** [compliance@arveelabs.com](mailto:compliance@arveelabs.com)

**FOR & ON BEHALF OF THE BOARD OF  
ARVEE LABORATORIES (INDIA) LIMITED**

**Place: Ahmedabad  
Dated: 13<sup>th</sup> August, 2024**

**Sd/-**

**CHAIRMAN CUM MANAGING DIRECTOR  
Shalin Sudharkarbhair Patel  
(DIN: 01779902)**

## **Annexure V**

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Covering more than 80,000 commercial products, India's chemical industry is extremely diversified and can be broadly classified into bulk chemicals, specialty chemicals, agrochemicals, petrochemicals, polymers, and fertilisers. India is the 6th largest producer of chemicals in the world and 3rd in Asia, contributing 7% to India's GDP. India's chemical sector, which is currently estimated to be worth US\$ 220 billion in 2022 and is anticipated to grow to US\$ 300 billion by 2025 and US\$ 1 trillion by 2040.

Globally, India is the fourth-largest producer of agrochemicals after the United States, Japan and China. India accounts for 16-18% of the world's production of dyestuffs and dye intermediates. India's agrochemicals export was estimated to be at US\$ 3.12 billion from April 2023 to December 2023. Indian colourants industry has emerged as a key player with a global market share of ~15%. The country's chemicals industry is de-licensed, except for a few hazardous chemicals. India has traditionally been a world leader in generics and biosimilars and a major Indian vaccine manufacturer, contributing more than 50% of the global vaccine supply. India holds a strong position in exports and imports of chemicals at a global level and ranks 14th in exports and 8th in imports at the global level (excluding pharmaceuticals).

#### **ROAD AHEAD**

Despite the pandemic situation, the Indian chemical industry has numerous opportunities considering the supply chain disruption in China and the trade conflict between the US, Europe and China. Anti-pollution measures in China will also create opportunities for the Indian chemical industry in specific segments.

Additional support, in terms of fiscal incentives, such as tax breaks and special incentives through PCPIRs or SEZs to encourage downstream units will enhance production and development of the industry. The dedicated integrated manufacturing hubs under the Petroleum, Chemicals and Petrochemicals Investment Regions (PCPIR) policy to attract an investment of Rs. 20 lakh crore (US\$276.46 billion) by 2035.

To bring about structural changes in the working of the domestic chemical industry, future investments should not only focus on the transportation of fuels such as petrol and diesel but also on crude-to-chemicals complexes or refineries set up to cater to the production of chemicals.

#### **ROADMAP**

India's chemicals market, valued at USD 220 billion in 2023, is projected to grow to USD 383 billion by 2030, with an 8.1% CAGR. This growth is underpinned by an 8.1 per cent anticipated CAGR from 2021 to 2030. This sector, currently the sixth largest globally by sales, has attracted USD 21.7 billion in FDI from April 2000 to September 2023, benefiting from 100% FDI under the automatic route. Investments in Petroleum, Chemical, and Petrochemical Investment Regions (PCPIRs) are expected to reach USD 420 billion.

As the sixth largest globally by chemical sales, India has attracted significant foreign direct investment (FDI), with cumulative FDI inflows reaching USD 21.7 billion from April 2000 to September 2023.

The sector benefits from 100 per cent FDI under the automatic route, bolstering investor confidence and facilitating growth.

India's Petroleum, Chemical, and Petrochemical Investment Regions (PCPIRs) are expected to attract investments worth USD 420 billion, reflecting the sector's robust potential.

The chemicals sector contributes 12 per cent to India's total exports, highlighting its significance in the global market.

Speciality chemicals, in particular, are projected to grow at a CAGR of 12 per cent from 2020 to 2025, driven by innovations and increasing demand across various applications.

According to recent projections, the value added in the chemicals market is expected to reach USD 29.7 billion in 2024, with a compound annual growth rate (CAGR) of 3.26 per cent from 2024 to 2029.

The chemicals market in India is set to witness substantial growth across various metrics. In 2024, the value added per capita in this market is projected to be USD 20.6, with a value added margin of 21 per cent.

The overall market output is anticipated to be USD 143.3 billion, growing at a CAGR of 2.71 per cent over the next five years. Additionally, the output per enterprise is projected at USD 9.1 million.

The chemicals sector is not only expanding in terms of market value but also in enterprise and employment numbers. By 2024, the number of enterprises operating in this market is expected to reach 15,730, with CAGR of 4.70 per cent from 2024 to 2029. This growth will translate into a higher enterprise density of 11 enterprises per 100,000 populations.

Employment in the chemicals sector is projected to reach 1 million by 2024, supported by a CAGR of 3.19 per cent over the forecast period.

The employment rate within the sector is projected to be 0.07 per cent, with labor efficiency and productivity expected to be USD 143,000 and USD 29,700, respectively.

Several factors are driving the demand in India's chemicals market. Growing domestic consumption, coupled with the demand from end-use industries such as packaging and automotive, is propelling market growth.

Favorable government policies, improving infrastructure, and the availability of skilled

labor at competitive costs further enhance the sector's attractiveness.

Multinational firms are diversifying their sourcing countries, with India emerging as a key player due to its competitive advantages.

Within the elemental sub-sectors, specialty chemicals, agrochemicals, and petrochemicals are expected to witness substantial growth, with CAGRs of 11.5 per cent, 8.3 per cent, and 11 per cent respectively, until 2027.

## Chemicals market in India

- India's chemical sector, which was estimated to be worth US\$ 220 billion in 2022, is anticipated to grow to US\$ 300 billion by 2025 and US\$ 1 trillion by 2040.

- The demand for chemicals is expected to expand by 9% per annum by 2025. The chemical industry is expected to contribute US\$383 billion to India's GDP by 2030.

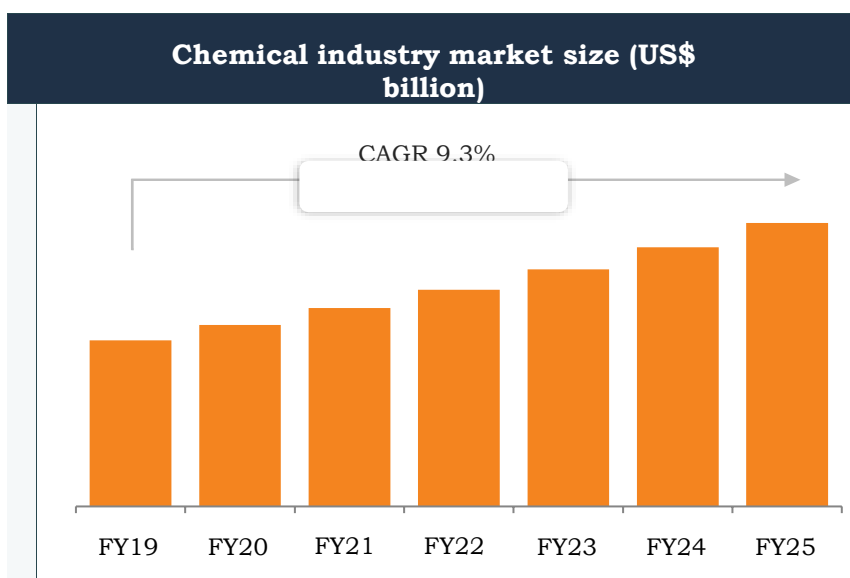
- India has traditionally been a world leader in generics and biosimilars and major Indian vaccine manufacturers, contributing more than 50% of the global vaccine supply.

- Chemicals and petrochemicals demand in India is expected to nearly triple and reach US\$ 1 trillion by 2040.

- An investment of Rs. 8 lakh crore (US\$ 107.38 billion) is estimated in the Indian chemicals and petrochemicals sector by 2025.

- Specialty chemicals account for 20% of the global chemicals industry's US\$ 4 trillion, with India's market expected to increase at a CAGR of 12% to US\$ 64 billion by 2025.

- This gain would be driven by a healthy demand growth (CAGR of 10-20%) in the export/end-user industries.





- The Department of Chemicals & Petrochemicals intends to bring PLI in the chemical & petrochemical sector and will redraft the Petroleum, Chemicals and Petrochemicals Investment Region (PCPIR) guidelines.
- The Indian chemical industry is expected to further grow with a CAGR of 11-12% by 2027, increasing India's share in the global specialty chemicals market to 4% from 3%.
- A shift in the global supply chain brought on by the China+1 strategy and a resurgence in domestic end-user demand was expected to fuel significant revenue growth of 18–20% in 2022 and 14–15% in 2023

### **GROWING DEMAND**

- ◆ Rise in demand from end-user industries such as food processing, personal care and home care is driving development of different segments in India's specialty chemicals market.
- ◆ Exports of Organic and Inorganic Chemicals increase by 16.75% and reached US\$ 2.50 Billion in April 2024.
- ◆ Chemicals and petrochemicals demand in India is expected to nearly triple and reach US\$ 1 trillion by 2040.
- ◆ India is the 6th largest producer of chemicals in the world and 3rd in Asia, contributing 7% to India's GDP.

### **OPPORTUNITIES**

- ◆ India's specialty chemicals companies are expanding their capacities to cater to rising demand from domestic and overseas.
- ◆ With global companies seeking to de-risk their supply chains, which are dependent on China, the chemical sector in India has the opportunity for a significant growth.
- ◆ The Dahej PCPIR project in Bharuch, has attracted an investment of Rs. 1 lakh crore (~US\$ 12 billion) and is expected to generate 32,000 jobs.

### **POLICY SUPPORT**

- ◆ PLI schemes were introduced to promote Bulk Drug Parks, with a budget of Rs. 1,629 crore (US\$ 213.81 million).
- ◆ Under the Interim Union Budget 2024-25 the government allocated Rs. 192.21 crore (US\$ 23.13 million) to the Department of Chemicals and Petrochemicals.
- ◆ The Petroleum, Chemicals and Petrochemicals Investment Region (PCPIR) set up at Paradip has attracted investments worth US\$ 8.84 billion (Rs.73,518 crores) resulting in employment of about 40,000 people.

◆ Government to open 25,000 Jan Aushadhi Kendras to make medicines available at affordable prices.

### **INCREASING INVESTING AND SPENDING**

◆ FDI inflows in the chemicals sector (other than fertilizers) reached US\$ 22.146 billion between April 2000-March 2024.

◆ Prime Minister, Mr. Narendra Modi, laid the foundation stone of development projects worth more than Rs. 50,700 crore (US\$ 6.11 billion) on September 14, 2023.

◆ An investment of Rs. 8 lakh crore (US\$ 107.38 billion) is estimated in the Indian chemicals and petrochemicals sector by 2025.

### **Specialty chemicals on domestic drive**

- ❖ The Indian specialty chemicals sector will see revenue growth of 6-7% in fiscal 2024, with higher domestic demand (~60% of total revenue) driving up volume growth even as macroeconomic headwinds in the US and Europe subdue exports. Besides, realisations are expected to remain flattish this fiscal, which will have a moderating effect on the overall revenue growth.
- ❖ Last fiscal, revenue growth had plunged to ~11% from 41% in fiscal 2022 owing to steep correction in realisations in the second half triggered by dumping from China, where consumption fell sharply owing to strict zero-Covid policy.
- ❖ An analysis of 121 specialty chemical companies rated by CRISIL Ratings, accounting for nearly a third of the ~Rs 4 lakh crore industry, indicates as much.
- ❖ Over the past two fiscals, exports had propelled revenue growth. This fiscal, it will be the turn of domestic sales, which we see rising 8-9% on-year. We expect exports — accounting for ~40% of industry revenue — to rise just 2-3% as the main markets such as the US and Europe are battling economic slowdown.
- ❖ That said, growth trends would be different across sub-segments, with the agrochemicals and fluorochemicals sub-segments (over ~35% of total revenues) likely to see double digit growth in fiscal 2024. Agrochemicals help improve nutrient in crops besides control pests, and has been growing at a steady pace, while fluorochemicals cater to niche emerging verticals such cold storage, semi-conductors, EV batteries, and hydrogen fuel cells. On the other hand, sub-segments such as dyes & pigments, personal care & surfactants, and flavours & fragrances (together contributing over 40% of total revenues) shall see relatively lower growth as their demand is linked to discretionary spending.
- ❖ With realisations having bottomed out, higher sales volume and moderated crude-linked raw material prices will support operating margin, which is expected to stabilise at 14.0-14.5% this fiscal, almost similar to last fiscal.
- ❖ Operating margin had fallen 300-350 basis points last fiscal following dumping by China. Some companies, especially in the polymer segment, suffered material inventory losses.

- ❖ Capital expenditure (capex) is expected to remain high as manufacturers focus on augmenting capacity and expanding downstream to value-added products to seize opportunities emanating from Europe, where high labour cost makes local operations less competitive. This will be in addition to the continuing China+1 strategy adopted by global majors as part of their diversification strategy.
- ❖ Steady cash generation and healthy balance sheets will ensure debt metrics remain adequate, despite higher debt for capex and incremental working capital lending stability to credit profiles.
- ❖ Strong operating performance in fiscals 2021 and 2022, and control over working capital cycle have strengthened the balance sheets of most specialty chemical makers. Hence, even with capex spends remaining elevated at ~Rs 22,000 crore over fiscal 2023 and 2024, ~ 50% higher compared to pre-pandemic levels, debt metrics such as gearing should remain healthy at below 0.5 times.”

### **Opportunities**

Despite the current critical financial and economic hurdles, the expected positive long term economic development and the increasing freight transport volumes constitute an opportunity for the growth and the further development of most of the chemical enterprises. This can be an important contribution to the stabilization of markets and the improvement of customer satisfaction.

### **Threats**

The present economic position serves as a threat to many chemical companies both worldwide and on the regional level. In general labour avoid working in chemical plants. Hence company may have to face labour problem.

## **OUR STRATEGIES**

### **Expansion of our presence in the domestic markets**

Our Company seeks to expand and enhance our presence in our existing business segments by identifying markets where we can provide cost effective, technically advanced products to our clients. Our Company plans to cater to various customers from different geographical locations by following the direct market route for large customers. Our Company would also aim to build-up our sales force which will enable us to effectively market our products.

### **Meeting Quality Standards and developing customer focus**

Our driving force has always been the quality of our products, as the same would enable us for long standing relationship with our customers. Our technical team is equipped with testing facilities to ensure that all our products are thoroughly tested prior to dispatch from our factory. We will continue to strive our quality standards high.

### **Continue to develop & maintain relationships**

We provide services to national as well as international clients. We continue to enjoy the patronage of our clients. We believe that we can leverage our existing relationships,

our brand and our technical expertise to grow our client base which would help us in achieving our growth objective.

### **Reduction in Cost**

We continue to monitor and explore all the possible opportunity for reduction in the Cost including manufacturing and administrative cost for maximization of resources and creation of wealth for shareholders.

### **Outlook**

The outlook for the coming year looks promising for the Chemicals business at this point in time. Demand is showing signs of improvement and with a price advantage due to our best negotiation abilities we are likely to perform well. However, global recession and market condition may have an impact on our business to suffer which in turn can have bearing on profitability. Further with the rise in Delta Variant can be a global cause of concern.

The outlook for the demand of the Products continues to be robust considering the COVID. It is expected that the outlook for the Chemicals sector continues to be bright. In view of the Atmanirbhar Bharat, it is expected that the demand for the Company products will grow manifold.

### **Risks and Concerns**

Your Company had put a risk management framework in place post a comprehensive review of its risk management process. Your Company takes a fresh look at the risk management framework through our Audit Committee at least once in a year. The review involved understanding the existing risk management initiatives and assessment of risks in the businesses as the relative control measures and arriving at the desired counter measures keeping in mind the risk appetite of the organization. The audit Committee has periodically reviewed the risks in the business and recommended appropriate risk mitigating actions.

The business of the Company is likely to be affected by various internal and external risks enumerated as under:

- Our success depends largely upon the services of our Promoter, Directors and other key managerial personnel and our ability to attract and retain them.
- The prices we are able to obtain for the products that we trade depend largely on prevailing market prices.
- We face intense competition in our businesses, which may limit our growth and prospects.
- Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.
- Global recession and market conditions could cause our business to suffer.
- Natural calamities and changing weather conditions caused as a result of global warming could have a negative impact on the Indian economy and consequently impact our business and profitability.

- Tax rates applicable to Our Company may increase and may have an adverse impact on our business.
- Political instability or changes in the Government could adversely affect economic conditions in India generally and our business in particular.

As a responsible employer, to ensure occupational safety and employment standards, your Company maintains strict safety and quality control programs to monitor and control these operational risks.

### **Internal Control System and their adequacy**

The Company maintains adequate internal control systems, which provides, among other things, reasonable assurance of recording the transactions of its operations in all material respects and of providing protection against significant misuse or loss of company's assets.

Internal Controls are adequately supported by internal audit and periodical review of by the management. The audit committee meets periodically to review with the management and statutory auditors, financial statements. The Audit Committee also meets with the internal auditors to review adequacy /scope of internal audit function, significant findings and follow up thereon and finding of abnormal nature.

### **Discussion on financial performance with respect to operational performance**

During the year company has reported total income of 3,09,851.23 Rs. in Thousands as against 6,26,986.70 Rs in Thousands in the previous year. And Net Profit of the Company during the Current year stand at Rs. 10,518.35 Rs. in Thousands as against profit of Rs. 41,190.02 Rs. in Thousands in the previous year.

### **Material developments in human resources/ Industrial Relations front, including number of people employed**

Relations with the employees of the Company at various levels remained harmonial during the year under the review. The Company is making its best efforts to retain and attract talented employees. During the year under the review, the Company has complied with all legislative provisions of labour laws. The number of employees of the company as of 31st March, 2024 was **65** employees.

### **Other Disclosures**

#### **a. Basis of related party transaction:**

During the year under the review, related party transactions, if any, are disclosed in the Balance Sheet. Transactions are entered at arm's length.

**b. Disclosure of accounting treatments:**

The Company has followed all relevant Accounting Standards while preparing the financial Statements.

**c. Board Disclosures - Risk Management:**

The Company has developed comprehensive risk management policy and same is reviewed by the Audit Committee, which in turn, informs the Board about the risk assessment and minimization procedures. Major risks identified for the Company by the management are Currency fluctuation, Compliance, Regulatory changes, Manufacturing & Supply, Litigation, Information Technology and new capital investments return. The management is however, of the view that none of the above risks may threaten the existence of the Company as robust Risk mitigation mechanism is put in place to ensure that there is nil or minimum impact on the Company in case any of these risks materialize. Since the risk control frame work is new to Indian Corporate Culture, it is being strengthened on continuous basis using the outside professional help.

**d. Proceeds from public issues, right issues, preferential issues etc.:**

During the year under review no fund raising by way of public issue, right issue or preferential issue was made.

Besides above, there was no instance of non-compliance of any matter related to the capital markets during the last three years.

**Details of significant changes in key Financial Ratios & Return on Net worth**

Pursuant to amendment made in schedule V to the Listing Regulations, details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in Key Financial Ratios and any changes in return on net worth of the Company (on standalone basis) including explanations therefor are given in notes to the financial statements. Members are requested to refer the same.

**Cautionary Statement**

The above Management Discussion and Analysis contains certain forward looking statements within the meaning of applicable security laws and regulations. These pertain to the Company's future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties, regarding fluctuations in earnings, our ability to manage growth, competition, economic growth in India, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, government policies and actions with respect to investments, fiscal deficits, regulation etc. In accordance with the Code

of Corporate Governance approved by the Securities and Exchange Board of India, shareholders and readers are cautioned that in the case of data and information external to the Company, no representation is made on its accuracy or comprehensiveness though the same are based on sources thought to be reliable. The Company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time on behalf of the Company.

**FOR & ON BEHALF OF THE BOARD OF  
ARVEE LABORATORIES (INDIA) LIMITED**

**Place: Ahmedabad**

**Dated: 13<sup>th</sup> August, 2024**

**Sd/-**

**CHAIRMAN CUM MANAGING DIRECTOR**

**Shalin Sudharkarbhai Patel**

**(DIN: 01779902)**

## **ANNEXURE VI**

### **CERTIFICATE ON COMPLIANCE WITH THE REGULATIONS OF CORPORATE GOVERNANCE**

**To**  
**The Shareholders Of**  
**ARVEE LABORATORIES (INDIA) LIMITED**

I, Alkesh Jalan, Proprietor of Jalan Alkesh & Associates, Company Secretary in Practice, the Secretarial Auditor of Arvee Laboratories ( India ) Limited (“the Company”), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March 2024, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paras C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments from time to time (the “Listing Regulations”).

#### **MANAGEMENT’S RESPONSIBILITY**

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

#### **AUDITORS’ RESPONSIBILITY**

- i. My responsibility is limited to examining the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
- ii. I have examined the relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

#### **OPINION**

- a) Based on my examination of the relevant records and according to the information and explanations provided to me and the representations provided by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paras C and D of Schedule V of the Listing Regulations during the year ended 31st March 2024.



b) I state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company Reporting of internal auditor directly to the Audit Committee.

**For, Jalan Alkesh & Associates  
Company Secretaries**

**Sd/-**

**Alkesh Jalan [Proprietor]  
FCS: 10620, COP: 4580  
UDIN: F010620F000960459**

**Date: 13<sup>th</sup> August, 2024  
Place: Ahmedabad**

**ANNEXURE VII**

**Details under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.**

**A. Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2023-24 are as follows:**

<b>Sr. No.</b>	<b>Directors</b>	<b>Remuneration (Rs in Thousands)</b>	<b>Median Remuneration (Rs in Thousands)</b>	<b>Ratio</b>
1.	Shalin Sudhakarbai Patel	3713.46	217.572	17.04 : 1
2.	Shalin Bharatbhai Chokshi	3713.46	217.572	17.04 : 1

Other Directors are not paid any remuneration and therefore the comparative ratio is not applicable.

**B. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2023-24 are as follows:**

<b>Name of the Directors, Chief Financial Officer, Chief Executive Officer, Company Secretary, Manager</b>	<b>Designation</b>	<b>Percentage increase in remuneration</b>
Shalin Sudhakarbai Patel	Managing Director	3.15
Shalin Bharatbhai Chokshi	Whole Time Director	3.15
Mr. Saurin Gandhi	Chief Financial Officer	13.51
Ms. Raina Singh Chauhan	Company Secretary	16.79

**C. The percentage increase in the median remuneration of employees in the financial year 2023-24:**

**(Amount in Rs Thousands)**

	<b>2023-24</b>	<b>2022-23</b>	<b>(%)</b>
Median Remuneration of Employees	217.572	155.07	40.31

**D. There were 65 Employees** on the payroll of company as on 31<sup>st</sup> March, 2024.

**E. Comparison of average Percentile increase in salary of employees other than the managerial personnel and the percentage increase in the remuneration paid to managerial personnel:**

**(Amount in Rs Thousand)**

	<b>2023-24</b>	<b>2022-23</b>	<b>Increase (%)</b>

<b>Average salary of all employees (other than Managerial Personnel)</b>	195.28	172.60	13.14
<b>Managerial Personnel:</b>			
Shalin Sudhakarbhair Patel	3713.46	3600.00	3.15
Shalin Bharatbhair Chokshi	3713.46	3600.00	3.15
Saurin Gandhi	1260.00	1110.00	13.51
Raina Singh	114.75	98.25	16.79

**F. The key parameters for any variable component of remuneration availed by the directors;**

There are no variable components in remuneration package availed by the directors.

**G. Affirmation that the Remuneration is as per the Remuneration Policy of the Company:**

It is hereby affirmed that the remuneration paid to the Directors, Key Managerial personnel and Senior Management is as per the Remuneration Policy.

**H. Statement containing the particulars of employees in accordance with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

None of the employees of the company employed throughout the financial year 2023-24 and were paid remuneration in excess of the limits prescribed. i.e. Rs. 1.02 Crores per annum.

None of the employees employed for a part of the financial year 2023-24 at a rate which, in aggregate, was in excess of Rs. 8.50 Lacs per month.

None of the employees were employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in aggregate, or as the case may be, at a rate which, in the aggregate, is 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 percent of the equity shares of the company.

**FOR & ON BEHALF OF THE BOARD OF  
ARVEE LABORATORIES (INDIA) LIMITED**

**Place: Ahmedabad  
Dated: 13<sup>th</sup> August, 2024**

**Sd/-  
CHAIRMAN CUM MANAGING DIRECTOR  
Shalin Sudhakarbhair Patel  
(DIN: 01779902)**

## Annexure VIII

### **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 Requirements) Regulations, 2015)

To,  
The Members of  
**ARVEE LABORATORIES (INDIA) LIMITED**  
403, Entice, Nr. Jayantilal Park BRTS, Iskcon-Bopal Road,  
Ambli, Ahmedabad - 380058

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Arvee Laboratories ( India ) Limited having CIN: L24231GJ2012PLC068778 and having registered office at 403, Entice, Nr. Jayantilal Park BRTS, Iskcon Bopal Road, Ambli, Ahmedabad - 380058 (hereinafter referred to as 'the company'), produced before us by the Company for the purpose of issuing this certificate in accordance with Regulation 34 (3) read with Schedule V Para-C clause (10) (i) of the SEBI (listing obligations and Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verification (including Directors Identification Number (DIN) status at the Portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers we hereby certify that none of the Directors on the Board of the company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2024 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.

<b>Sr. No.</b>	<b>Name of Director</b>	<b>DIN</b>	<b>Date of Appointment in Company</b>
1	Shalin Sudhakarbhai Patel	01779902	01/04/2014
2	Shalin Bharatbhai Chokshi	00191903	27/01/2012
3	Shalini Hitesh Jalan	09620065	26/05/2022
4	Sachin Kanwarlal Kansal	03566139	01/10/2021
5	Neetu Jalan	08719470	12/02/2021
6	Dipen Ashit Dalal ( Ceased on 26.3.2024 )	09219731	17/07/2021

Ensuring the eligibility of for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our 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.

**For, Jalan Alkesh & Associates,  
Company Secretaries**

**Sd/-**

**Place: Ahmedabad  
Date: 13<sup>th</sup> August, 2024**

**Alkesh Jalan [Proprietor]  
FCS No.: 10620 COP No. : 4580  
UDIN: F010620F000960437**

## **ANNEXURE IX**

### **Outline of CSR Policy:**

Your Company believes in social and economic progress of the Country. Your company has adopted a policy for carrying out the various social measures in line with the activities specified in the Schedule VII of the Companies Act, 2013.

Net Profit and other details are as under:

Average Net Profit: Rs. 53289.05 Thousands

2% of Average Profits is Rs. 1065.78 Thousands

Surplus arising out of CSR project / activities of the previous financial year: Nil

The company is required to spend amount of Rs. 1065.78 Thousands towards CSR expenditure against which the company has spent Rs. 1075.00 Thousands.

Excess amount available for set off as CSR in the succeeding year: Rs. 10.12 Thousands excess spend for the year 2023 – 2024.

The Company has constituted a CSR committee comprising of all three existing directors out of which 2 are independent namely

<b>Sr. No.</b>	<b>Name of the Member of the Corporate Social Responsibility Committee</b>	<b>Designation in the Committee</b>
1	Mr. Dipen Ashit Dalal (up to 26.3.2024)	Chairman
2	Mr. Sachin Kanwarlal Kansal	Member
3	Mr. Shalin Sudhakarbhair Patel	Member

Mr. Sachin Kansal acts as Chairperson of the CSR committee with effect from 31<sup>st</sup> March, 2024 and Mrs. Neetu Rishi Jalan have been appointed as Member of the Committee with effect from 31<sup>st</sup> March, 2024.

The Company Secretary acts as Secretary to the Committee.

The Board of Directors of the Company has adopted a CSR Policy which is available on the website of the Company namely <http://arveelabs.com/CodeOfConduct.aspx>

During the year under review 2 CSR Committee Meeting was held on 30<sup>th</sup> September,

2023 and 7<sup>th</sup> November, 2023. All the Members of the Committee namely Mr. Dipen Asit Dalal, Mr. Sachin Kanwarlal Kansal and Mr. Shalin Sudhakarbhai Patel have attended the same meeting. The Company has expended by contributing amount to other than ongoing projects.

<b>Item from the list of activities mentioned in Schedule VII</b>	<b>Name of the Project</b>	<b>Local Area (Yes/No)</b>	<b>Location of the Project</b>	<b>Mode of Implementation Direct (Yes/No)</b>	<b>CSR Registration No.</b>	<b>Amount Spend (Rs. In lakhs )</b>
ii	Empowerment of women education and help to the needy people by way of grain and medication	No	Anand, Gujarat	No	CSR00032202	10.75
<b>Total</b>						<b>10.75</b>

Details of amount Spent towards ongoing project: Nil

Surplus arising out of the CSR projects/ programs or activities of the previous financial year, if any: Nil

Amount spent in Administrative Overheads: Nil

Details of Unspent CSR amount for the preceding three financial years: Nil

Amount eligible for transfer to Unspent CSR Account for the Financial Year as per Section 135(6) (before adjustments): Nil

CSR Project is approved by the Board of Directors.

Whether Impact assessment of CSR projects is carried out in pursuance of sub-rule (3) of Rule 8 of Companies (CSR Policy) Rules, 2014, if applicable: Not Applicable.

Whether any amount is available for set off in pursuance of sub-rule (3) of Rule 7 of Companies (CSR Policy) Rules, 2014: Nil

Whether any capital asset has been created or acquired through CSR spent in the financial year: Nil

The implementation and monitoring of CSR is in compliance with CSR Policy of the Company.

Specify the reasons if the Company fails to spend 2% of the Average net profit as per Section 135 (5) of Companies Act, 2013: Not Applicable

**Sachin Kansal**  
**Chairman – CSR Committee**  
**DIN: 03566139**

**Shalin Sudhakarbai Patel**  
**Chairman and Managing Director**  
**DIN: 01779902**

**Place: Ahmedabad**  
**Dated: 13<sup>th</sup> August, 2024**



# **ARVEE LABORATORIES (INDIA) LIMITED**

**(CIN: L24231GJ2012PLC068778)**

**Registered Office : 403, Entice, Nr. Jayantilal Park BRTS, Iskcon Bopal Road, Ambli,  
Ahmedabad, Gujarat - 380058**

## **STATUTORY AUDIT REPORT**

**Accounting Year 2023-2024**

**Assessment Year 2024-2025**

## **NIRAV PATEL & ASSOCIATES**

**Chartered Accountants**

**B/603, Sankalp Iconic tower,  
Opp. Vikramnagar ISRO Colony, Iscon Cross Road,  
Ahmedabad - 380015.**



**INDEPENDENT AUDITORS' REPORT**

To

The Members of

Arvee Laboratories (India) Limited

**Report on the audit of the financial statements**

**Opinion**

We have audited the accompanying financial statements of **Arvee Laboratories (India) Limited**, which comprise the balance sheet as at March 31, 2024, and the Statement of Profit and Loss for the year then ended, the statement of changes in Equity, statement of cash flow for the year ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the **Companies Act, 2013 ('Act')** in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the act read with the companies (Indian Accounting Standards ) Rules, 2015 as amended (hereinafter referred to as "Ind As" ) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit 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 financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the 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.

**Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.



Sr. No.	Key Audit Matter	Auditor's Response
1	<p><b>Revenue recognition</b></p> <p>The company is in business of manufacturing and export of chemical it manufactured along with its domestic sales.(Refer Note No. 2.2 of financial statements)</p>	<p><b>Principal Audit Procedures Performed</b></p> <p>During the audit procedure we have verified that when risk and reward of ownership of goods is transferred.</p> <p>And for the same, we tested certain export transactions as well as domestic supply made by the company.</p>
2.	<p><b>Inventory valuation :</b></p> <p>The company is in business of manufacturing of chemical and maintained its cost record pertaining to its manufacturing.</p>	<p><b>Principal Audit Procedures Performed</b></p> <p>In our audit procedure we conducted review of procedure of allocation of fixed and variable overheads.</p> <p>We undergone the valuation procedure carried out by the company to value its inventory.</p>
3.	<p><b>Related Party Transactions :</b></p> <p>The Company has related party transactions which include, amongst others, purchase of goods, Lease Payment, and Consultancy to its associates, and other related parties.</p> <p>Identification and disclosure of related parties was a significant area of focus and hence is considered a Key Audit Matter.</p>	<p><b>Principal Audit Procedures Performed</b></p> <p>Evaluated the design and tested the operating effectiveness of controls over identification and disclosure of related party transactions.</p> <p>Obtained a list of related parties from the Company's management and traced the related parties to declarations given by directors, where applicable, and to Note 50 of the standalone Ind AS financial statements.</p> <p>Review financial statement and traced related party transactions with limits approved by Audit Committee / Board if any.</p>



### **Information other than the 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 and Sustainability Report, Corporate Governance and Shareholders Information but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 financial statements**

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Ind As and other accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The board of directors are also responsible for overseeing the Company's financial reporting process.



### **Auditor's responsibilities for the audit of the financial statements**

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

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

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated 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**

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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, and the cash flow statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2015 as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) Since the Company's turnover as per last audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2017; and
- (g) 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, in our opinion and to the best of our information and according to the explanations given to us;



- a. The Company does not have any pending litigations which would impact its financial position;
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

**Place: Ahmedabad**  
**Date: 17<sup>th</sup> May, 2024**



**For, Nirav Patel & Associates**  
**Chartered Accountants**

  
CA Nirav Sureshbhai Patel  
(Partner.)

**M.NO.132409**

**FRNo. : 129824W**

**UDIN: 24132409BKCMU9260**

Annexure to the Independent Auditor's Report of even date to the members of **Arvee Laboratories (India) Limited**, on the financial statements for the year ended **31<sup>st</sup> March, 2024**.

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

i.

a.

- (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper record showing full particulars of Intangible Assets.

b. The major Property, Plant and Equipment of the company have been physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on such verification.

c. According to the information and explanation given to us, the title deeds of the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company.

Description of Property	Gross Carrying value	Held in name of	Whether Promoter or Director or their relative or employee	Period held indicate range where appropriate	Reason for not being held in name of company
NA					

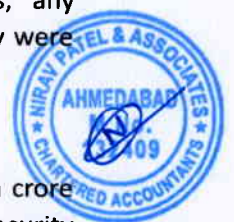
d. The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

e. According to the information and explanation given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder during the year.

ii.

a. The management has conducted physical verification of inventory at reasonable intervals during the year, in our opinion, the coverage and procedure of such verification by the management is appropriate. As informed to us, any discrepancies of 10% or more in the aggregate for each class of inventory were not noticed on such verification.

b. The company has been sanctioned working capital limits in excess of ten crore rupees in aggregate, from banks or financial institutions on the basis of security





of current assets; monthly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company;

- iii. The Company has during the year, not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions of clauses 3(iii) of the Order are not applicable.
- a. In views of the matters reported in clause (iii) above, the provisions of clause (iii) (a) is not applicable to the company.
  - b. In views of the matters reported in clause (iii) above, the provisions of clause (iii) (b) is not applicable to the company.
  - c. In views of the matters reported in clause (iii) above, the provisions of clause (iii) (c) is not applicable to the company.
  - d. In views of the matters reported in clause (iii) above, the provisions of clause (iii) (d) is not applicable to the company.
  - e. In views of the matters reported in clause (iii) above, the provisions of clause (iii) (e) is not applicable to the company.
  - f. In views of the matters reported in clause (iii) above, the provisions of clause (iii) (f) is not applicable to the company.
- iv. According to the information and explanation given to us, the company has no loans, investments, guarantees or security where provisions of section 185 and 186 of the Companies Act, 2013 are to be complied with.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits under the directives of the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable. Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi. We have broadly reviewed the books of accounts maintained by the company pursuant to the rules made by the central government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacturing activities, have been made and maintained.
- vii.
- a. The Company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.



- b. There are no dues in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues that have not been deposited with the appropriate authorities on account of any dispute.

viii. According to the information and explanation given to us, company has no transactions, not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961);

ix.

- a. In our opinion, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year;
- b. Company is not declared wilful defaulter by any bank or financial institution or other lender;
- c. According to the information and explanation given to us, term loans were applied for the purpose for which the loans were obtained;
- d. According to the information and explanation given to us, no funds raised on short term basis have not been utilised for long term purposes;
- e. According to the information and explanation given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures;
- f. According to the information and explanation given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies;

x.

- a. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year;
- b. According to the information and explanation given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year

xi.

- a. According to the information and explanation given to us, any fraud by the company or any fraud on the company has not been noticed or reported during the year;
- b. According to the information and explanation given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;



- c. According to the information and explanation given to us, no whistle-blower complaints, received during the year by the company
- xii. Company is not a Nidhi company, accordingly provisions of the Clause 3(xii) of the Order is not applicable to the company
- xiii. According to the information and explanations given to us, we are of the opinion that all transactions with related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the Accounting Standards and the Companies Act, 2013
- xiv.
- a. According to the information and explanations given to us, the company has an internal audit system commensurate with the size and nature of its business;
- b. We have considered quarterly reports of the Internal Auditor issued for the period under audit;
- xv. According to the information and explanations given to us, we are of the opinion that the company has not entered into any non-cash transactions with directors or persons connected with him and accordingly, the provisions of clause 3(xv) of the Order is not applicable.
- xvi. According to the information and explanations given to us, we are of the opinion that the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, accordingly the provisions of clause 3(xvi) of the Order are not applicable;
- xvii. According to the information and explanations given to us and based on the audit procedures conducted we are of opinion that the company has not incurred any cash losses in the financial year and the immediately preceding financial year;
- xviii. There has been no resignation of the statutory auditors during the year and accordingly, the provisions of clause 3(xviii) of the Order is not applicable;
- xix. 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, 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 incapable 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.

- xx. The provisions of Section 135 towards corporate social responsibility are not applicable to the company during the period under audit. Accordingly, the provisions of clause 3(xx) of the Order is not applicable.
- xxi. The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

**Place: Ahmedabad**  
**Date: 17<sup>th</sup> May, 2024**



**For, Nirav Patel & Associates**  
**Chartered Accountants**

*Nirav Patel*  
**CA Nirav Sureshbhai Patel**  
**(Partner)**  
**M.NO.132409**  
**FRNo. : 129824W**  
**UDIN: 24132409BKCQMU9260**

**ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF ARVEE LABORATORIES (INDIA) 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 with reference to standalone Ind AS financial statements of **ARVEE LABORATORIES (INDIA) LIMITED** (the "Company") as of March 31, 2024 in conjunction with our audit of the standalone Ind AS 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone Ind AS financial statements 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, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone Ind AS financial statements 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 with reference to these standalone Ind AS financial statements and their operating effectiveness. Our audit of internal





financial controls with reference to standalone Ind AS financial statements included obtaining an understanding of internal financial controls with reference to these standalone Ind AS financial statements, 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 judgement, 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 with reference to these standalone Ind AS financial statements.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial controls with reference to standalone Ind AS financial statements 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 controls with reference to standalone Ind AS financial statements 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 Sun Pharmaceutical Industries Limited Annual Report 2023-24 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 with reference to standalone Ind AS financial statements, 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 with reference to standalone Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to standalone Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



**Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone Ind AS financial statements and such internal financial controls with reference to standalone Ind AS financial statements were operating effectively as at March 31, 2024, 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 issued by the ICAI.

**Place: Ahmedabad  
Date: 17<sup>th</sup> May, 2024.**



**For, Nirav Patel & Associates  
Chartered Accountants**

A handwritten signature in blue ink, appearing to read "Nirav Patel", written over a diagonal line.

**CA Nirav Sureshbhai Patel  
(Partner)  
M.No. 132409  
FRNo.: 129824W  
UDIN: 24132409BKCQMU9260**

**Arvee Laboratories (India) Limited**

CIN: L24231GJ2012PLC068778

Statement of Balance Sheet as at 31<sup>st</sup> March, 2024

(Amounts in Thousands)

Particulars	Note No	As at 31st March 2024	As at 31st March 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	3	1,26,681.38	1,26,703.06
Capital Work-in-Progress	3	26,247.20	15,269.90
Other Intangible Assets	4	22.50	101.52
Financial Assets			
(i) Investment		-	-
(ii) Other Non current Financial Assets	5	59,063.85	25,452.08
Other Non-current Assets	6	2,057.91	3,625.25
<b>Total Non-Current Assets</b>		<b>2,14,072.84</b>	<b>1,71,151.81</b>
<b>Current assets</b>			
Inventories	7	63,952.72	45,684.13
Financial Assets			
(i) Current Investments		-	-
(ii) Trade receivables	8	61,127.80	1,22,612.91
(iii) Cash and cash equivalents	9	18,500.55	5,374.51
(iv) Bank balances other than cash and cash equivalent	10	154.27	3,542.64
(iv) Current Loans	11	122.31	286.18
(iv) Other Financial Assets	12	92.71	50.08
Other Current Assets	13	23,962.30	38,150.65
<b>Total Current Assets</b>		<b>1,67,912.65</b>	<b>2,15,701.11</b>
<b>Total Assets</b>		<b>3,81,985.51</b>	<b>3,86,852.93</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	14	1,10,200.00	1,10,200.00
Other Equity	15	1,80,940.22	1,70,421.86
<b>Total Equity</b>		<b>2,91,140.22</b>	<b>2,80,621.86</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
Financial Liabilities			
(i) Non- Current Borrowings	16	10,000.00	10,000.00
(ii) Other Financial Liabilities		-	-
Provisions	17	2,997.82	2,873.00
Other Non-Current Liabilities		-	-
Deferred tax liabilities (Net)	18	8,424.66	4,960.28
<b>Total Non-current liabilities</b>		<b>21,422.48</b>	<b>17,833.27</b>





<b>Current Liabilities</b>			
Financial Liabilities			
(i) Borrowings	16	-	-
(ii) Trade Payables	19		
- Total outstanding dues of MSME		4,282.26	3,109.31
- Total outstanding dues of other than MSME		61,949.42	76,043.17
(iii) Other Financial Liabilities		-	-
Provisions	20	523.99	6,496.45
Other current liabilities	21	2,667.14	2,748.86
<b>Total Current liabilities</b>		<b>69,422.80</b>	<b>88,397.79</b>
<b>Total Equity and Liabilities</b>		<b>3,81,985.51</b>	<b>3,86,852.93</b>
<b>Significant Accounting Policies</b>	2		
The Notes referred to above form an integral part of these Financial Statements			

As per our separate report of even date attached

**For, Nirav Patel & Associates**  
Chartered Accountants

CA Nirav Patel  
Partner  
M. No. 132409  
FRN :- 129824W



Place : Ahmedabad  
Date : 17/05/2024  
UDIN : 24132409BKCQMU9260

For and on behalf of the Board of Directors of  
Arvee Laboratories (India) Limited

Shalin S Patel  
Managing Director  
[DIN: 01779902]

Shalin B Chokshi  
Whole Time Director  
[DIN: 00191903]



Saurin A Gandhi  
Chief Financial Officer  
[PAN: AJUPG7995F]

Raina Singh Chauhan  
Company Secretary  
[M. No. 57624]

**Arvee Laboratories (India) Limited**

CIN: L24231GJ2012PLC068778

**Statement of Profit and Loss Account for the year ended 31st March, 2024**

(Amounts in Thousands)

Particulars	Note No	for the year ended 31st March 2024	for the year ended 31st March 2023
Revenue from operations	22	3,03,451.69	6,13,470.92
Other Income	23	6,399.54	13,515.77
<b>Total Income</b>		<b>3,09,851.23</b>	<b>6,26,986.70</b>
<b>Expenses:</b>			
Cost of Material Consumed	24	1,68,711.96	3,84,901.16
Changes in Inventories of finished Goods, Work-in-Progress and Stock in Trade	25	(21,800.73)	9,501.78
Employee benefit expense	26	59,291.68	61,353.46
Finance costs	27	2,494.64	3,879.45
Depreciation, Amortisation and Impairment expense	28	14,981.64	20,799.98
<b>Other expenses</b>	29	<b>67,876.91</b>	<b>84,898.81</b>
<b>Total Expenses</b>		<b>2,91,556.10</b>	<b>5,65,334.64</b>
Profit before exceptional items and tax		<b>18,295.12</b>	<b>61,652.06</b>
Exceptional items			
Profit before tax		<b>18,295.12</b>	<b>61,652.06</b>
<b>Tax expense:</b>			
Current tax		4,312.38	17,504.24
Deferred tax		3,464.39	2,957.80
<b>Net Tax expenses</b>		<b>7,776.77</b>	<b>20,462.04</b>
Profit for the period		<b>10,518.35</b>	<b>41,190.02</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified subsequently to Profit or Loss</b>			
Income tax relating to items that will not be reclassified subsequently to Profit or Loss		-	-
<b>Items that will be reclassified subsequently to Profit or Loss</b>			
Income tax relating to items that will be reclassified subsequently to Profit or Loss		-	-



<b>Net other comprehensive income to be reclassified subsequently to Profit and Loss</b>		-	-
Total Comprehensive income for the year		<b>10,518.35</b>	<b>41,190.02</b>
Earning per equity share:			
(1) Basic		0.95	3.74
(2) Diluted		0.95	3.74
<b>Significant Accounting Policies</b>	<b>2</b>		
The Notes referred to above form an integral part of these Financial Statements			

As per our separate report of even date attached  
For, Nirav Patel & Associates  
Chartered Accountants

CA Nirav Patel  
Partner  
M. No. 132409  
FRN :- 129824W



Place : Ahmedabad  
Date : 17/05/2024  
UDIN : 24132409BKCMU9260

For and on behalf of the Board of Directors of  
Arvee Laboratories (India) Limited

  
Shalin S Patel  
Managing Director  
[DIN: 01779902]

  
Shalin B Chokshi  
Whole Time Director  
[DIN: 00191903]



  
Saurin A Gandhi  
Chief Financial Officer  
[PAN: AJUPG7995F]

  
Raina Singh Chauhan  
Company Secretary  
[M. No. 57624]



**Arvee Laboratories (India) Limited**

CIN: L24231GJ2012PLC068778

**Statement of Cash Flows for the year ended 31st March, 2024**

(Amounts in Thousands)

Particulars	for the year ended 31st March 2024	for the year ended 31st March 2023
<b>A. Cash Flow from Operating Activities</b>		
Net Profit Before Tax	18,295.12	61,652.06
Adjustment for :		
Depreciation	14,981.64	20,799.98
Amortisation	12.50	12.50
Finance Costs recognised in Statement of Profit and Loss	1,876.53	2,856.27
Interest Income recognised in Statement of Profit and Loss	(3,580.58)	(2,011.34)
Loss /(Gain) on Sale of Investments	(644.84)	(83.26)
Loss /(Gain) on Disposal of Property, Plant & Equipment	-	(10.05)
<b>Operating Profit before Working capital Changes</b>	<b>30,940.37</b>	<b>83,216.16</b>
Adjustment for (Increase) / Decrease in Working Capital :		
Inventories	(18,268.59)	11,589.44
Trade Receivables	61,485.11	(1,348.82)
Loans and Advances	(14,358.96)	(23,833.74)
Trade Payables and Provisions	(18,850.16)	(22,841.81)
<b>Cash generated from Operations</b>	<b>40,947.76</b>	<b>46,781.23</b>
Direct Taxes Paid (Net)	(4,312.38)	(17,491.84)
<b>Net Cash from Operating Activities</b>	<b>36,635.38</b>	<b>29,289.39</b>
<b>B. Cash Flow from Investing Activities :</b>		
Purchase of Property, Plant and Equipments, other intangible Assets & Capital Work-in-progress	(25,858.24)	(14,840.49)
Proceeds from Property, Plant and Equipments, other intangible Assets & Capital Work-in-progress	-	170.00
Purchase/Sale of Investments	-	-
Profit on sale of Investment	644.84	83.26
Interest received	3,580.58	2,011.34
<b>Net Cash used in Investing Activities</b>	<b>(21,632.82)</b>	<b>(12,575.89)</b>
<b>C. Cash Flow from Financing Activities :</b>		
Share Capital Issued	-	-
Security Premium Received	-	-
Preliminary Expenses Incurred	-	-
Borrowings	-	(21,313.65)
Finance Cost Paid	(1,876.53)	(2,856.27)
<b>Net Cash Generated from/(used in) Financing Activities</b>	<b>(1,876.53)</b>	<b>(24,169.92)</b>
<b>Net increase in Cash and Cash Equivalents (A+B+C)</b>	<b>13,126.03</b>	<b>(7,456.42)</b>
<b>Cash and Cash Equivalents as at 1st April (Opening Balance)</b>	<b>5,374.52</b>	<b>12,830.96</b>
<b>Cash and Cash Equivalents as at 31st March (Closing Balance)</b>	<b>18,500.53</b>	<b>5,374.52</b>

**Notes :**

- The above statement of Cash Flows has been prepared under the "Indirect Method" as set out in India Accounting Standard (Ind AS- 7) - Statement of Cash Flow.

As per our separate report of even date attached

For, Nirav Patel & Associates  
Chartered Accountants

For and on behalf of the Board of Directors of  
Arvee Laboratories (India) Limited

CA Nirav Patel  
Partner  
M. No. 132409  
FRN :- 129824W



Place : Ahmedabad  
Date : 17/05/2024  
UDIN : 24132409BKCQMU9260

Shalin Patel  
Managing Director  
[DIN: 01779902]

Saurin A Gandhi  
Chief Financial Officer  
[PAN: AJUPG7995F]

Shalin Chokshi  
Whole Time Director  
[DIN: 00191903]

Raina Singh Chauhan  
Company Secretary  
[M. No. 57624]



**ARVEE LABORATORIES (INDIA) LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES**

**1: Company Overview**

Arvee Laboratories (India) Ltd. ("the company") is a public limited company domiciled in India. The Shares of the company are listed on the NSE Main Board.

The addresses of its registered office is 403, ENTICE Building, Opposite Jayantilal Park BRTS Bus Stop, Iskcon-Bopal Road, Ambli, Ahmedabad - 380 058, Gujarat, India.

The plant of the company is situated at Survey No. 316, Bhavnagar Shihor Road, Post: Vartej, Kardej, Dist. Bhavnagar, PIN-364 060, Gujarat, India. The company is engaged in manufacturing of specialized chemicals.

**2: Significant Accounting Policies**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

The accounting policies applied in these financial statements are the same as those applied in the financial statements as at and for the year ended 31 March 2023.

**2.1 Basis of Preparation of Financial Statements**

**(1) Compliance with IndAS**

The financial statements have been prepared in all material aspects, in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The financial statements were authorized for issue by the Company's Board of Directors on May 17, 2024.

**(2) Basis of measurement**

The Financial Statements have been prepared on the historical cost convention on accrual basis except for certain financial assets and liabilities that are measured at fair value, amortised cost or present value, as disclosed



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in accounting policies and Defined Benefit Plans where Plan Assets are measured at fair value at the end of each reporting period:

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

As the operating cycle cannot be identified in normal course due to the special nature of the industry, the same has been assumed to have duration of 12 months. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

**(3) Functional and presentation currency**

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded off to the nearest thousands except share data, unless otherwise stated.

**(4) Current vs Non-current Classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- \* Expected to be realised or intended to be sold or consumed in normal operating cycle
- \* Held primarily for the purpose of trading
- \* Expected to be realised within twelve months after the reporting period, or
- \* Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- \* It is expected to be settled in normal operating cycle
- \* It is held primarily for the purpose of trading
- \* It is due to be settled within twelve months after the reporting period, or
- \* There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period





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The Company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. Based on the nature of business and its activities, the company has ascertained its operating cycle as twelve months for the purpose of Current and Non-current classification of assets and liabilities.

Deferred tax liability is classified as non-current liability.

## **2.2 Revenue Recognition**

The revenue is recognized when the significant risks and rewards of ownership of goods are transferred to the buyer, recoverability of consideration is probable, the amount of revenue and cost incurred or to be incurred in respect of the transaction can be measured reliably and there is no continuing managerial involvement over the goods sold.

Revenue is measured at the transaction price of the consideration received or receivable duly adjusted for variable consideration and the same represents amounts receivable for goods and services provided in the normal course of business. Revenue from sale of goods includes excise duty and are net of discounts, applicable taxes, rebates and estimated returns.

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, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

MEIS receivable on Export of Goods is recognized on the basis of claim disbursement by the relevant authority.

## **2.3 Property, Plant & Equipment**

### **2.3.1 Property, Plant and Equipment acquired separately**



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Freehold land is stated at cost and not depreciated. Buildings, plant and machinery, vehicles, furniture and office equipments are stated at cost less accumulated depreciation and accumulated impairment losses.

Property, Plant & Equipment (PPE) comprises of Tangible assets and Capital Work in progress (except Right of Use assets). PPE are stated at cost, net of tax/duty credit availed, if any, after reducing accumulated depreciation and accumulated impairment losses, if any; until the date of the Balance Sheet. The cost of PPE comprises of its purchase price or its construction cost (net of applicable tax credit, if any), any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by the management. Direct costs are capitalized until the asset is ready for use and includes borrowing cost capitalised in accordance with the Company's accounting policy.

An item of Property, Plant and Equipment is derecognized 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 recognized in Statement of Profit and Loss.

**2.3.2 Capital Work in Progress**

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy. Such properties are classified and capitalized 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.

**2.4 Depreciation**

Depreciation is recognized so as to write off the cost of assets (other than Freehold Land and Capital Work-in-Progress) less their residual values over their useful lives,





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using the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 is as under:

Asset Description	Assets Useful life (in Years)
Factory Building	30
Building other than Factory Building	60
Electrical installations	10
Office Equipment	5
Computers	3
Furniture and Fixtures	10

However in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on 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.:

Useful lives of each class of PPE as prescribed under Part C of Schedule II to the Companies Act, 2013 and adopted by the company are as under:-

Asset Description	Assets Useful life (in Years)
Lab Equipment	5
Vehicles	8
Plant & Machinery*	8, 10, 15 & 20

\* The different useful life taken for the different type of plant & machinery.

## 2.5 Intangible Assets

Intangible assets with finite useful life acquired separately, are recognized only if it is probable that future economic benefits that are attributable to the assets will flow to the company and the cost of assets can be measured reliably.

Intangible assets acquired are initially recorded at cost. Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at the end of each reporting period. The amortization expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss.



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Asset Description	Assets Useful life (in Years)
Computer Software	5

**2.6 Foreign currencies**

Foreign currency transactions are accounted at the exchange rates prevailing on the date of transaction as announced by the custom authority. Year-end monetary assets and liabilities are translated at the exchange rate ruling on reporting date. Exchange differences on settlement/conversion are adjusted to the Statement of Profit and Loss.

Non-monetary items measured at historical cost/fair value, are translated using the exchange rate prevailing on the date of transaction/fair value measurement respectively.

**2.7 Inventories**

Inventories are valued at lower of cost and net realizable value after providing for obsolescence and other losses, where considered necessary. The basis of determining the value of each class of inventory is as follows:

Inventories	Cost Formulae
Raw Material and Stores & Spares	At Cost (Net of eligible credit) following FIFO method of accounting.  Cost includes all other costs incurred in bringing the inventories to their present location and condition.
Raw Material in Transit	At Invoice Price
Scrap	At net realisable value*
Process Stock	At Cost comprising of raw material cost, labour cost and appropriate proportion of manufacturing expenses and overheads as per stage of completion.
Finished Goods (including Finished goods in transit)	At Cost comprising of raw material cost, direct labour cost and appropriate proportion of manufacturing expenses and overheads, the latter being allocated on the basis of normal operating capacity.



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\*Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

**2.8 Provisions and Contingent liabilities**

Provisions are recognised when there is a present obligation 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 there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

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.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

**2.9 Loans and Borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in Statement of profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. Borrowing costs attributable to acquisition or construction of a qualifying asset are capitalized as part of cost of that asset. Other borrowing costs are recognized as expense in the period in which these are incurred.



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**2.10 Borrowing Costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

**2.11 Accounting for taxes on income**

**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 and laws that have been enacted or substantively enacted by the end of the reporting period.

Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed, it also takes into account current income tax relating to items recognised outside profit or loss (either in other comprehensive income or in equity) in accordance with the provisions of the relevant tax laws. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions, where appropriate. Current tax assets and current tax liabilities are offset if a legally enforceable right exists to set off the recognised amounts.

**Deferred tax**

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are





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recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax items are recognised in correlation to the underlying transaction either in Statement of Profit and Loss, Other Comprehensive Income or directly in Equity as applicable.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities.

**2.12 Segment reporting**

The company has only one geographical segment and one business segment. Therefore, in the context of Operating Segment under the Indian accounting standard 108 "Segment Information" there is no separate reportable segment.

**2.13 Employee benefits**

- (a) Short term employee benefits are recognized as expenses at the undiscounted amount in the statement of Profit & loss of the year for which the related services rendered.
- (b) Defined Contribution Plan: Monthly contribution to the provident fund which is under defined contribution schemes are charged to Statement of Profit & Loss and deposited with the provident fund authorities on monthly basis.
- (c) Defined Benefit Plans: Gratuity payable to the employees is recognised on the basis of last withdrawn salary and number of completed years of service as on balance sheet date. Company is not providing for present value of future benefits to be payable to the employees.
- (d) Termination benefits are charged to the Statement of Profit and Loss in the year of accrual when the Company is committed without any possibility of withdrawal of an offer made to either terminate employment before the



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normal retirement date or as a result of an offer made to encourage voluntary retirement.

**2.14 Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand and Bank Balance which are subject to an insignificant risk of changes in value.

**2.15 Financial Risk Management**

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

**A. Market Risk**

Market risk is the risk that the fair value or future Cash flows of a financial instrument will fluctuate because of changes in market prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

**i. Foreign currency risk**

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.

**ii. Interest rate risk**

The Company is exposed to interest risk if the fair value or future cash flows of its financial instruments will fluctuate as a result of changes in market interest rates. Fair value interest rate risk is the risk of changes in fair values



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of fixed interest bearing investments because of fluctuations in the interest rates.

The Company's interest rate risk arises from interest bearing deposits with bank. Such instruments exposes the Company to fair value interest rate risk. Management believe that the interest rate risk attached to this financial assets are not significant due to the nature of this financial assets.

**iii. Market price risks**

The Company is exposed to market price risk, which arises from FVTPL and FVOCI investments. The management monitors the proportion of these investments in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the appropriate authority.

**B. Liquidity Risk**

Liquidity risk is the risk that the entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The entity's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the entity's reputation.

**C. Credit Risk**

It is risk of financial loss that the Group will incur a loss because its customers or counter parties to financial instruments fails to meet its contractual obligation.

The Group's financial assets comprises of cash and bank balances, trade receivables, investments and other financial assets which comprise mainly of deposits.

The maximum exposure to credit risk at the reporting date is primarily from Group's trade receivable.

**D. Cash and cash equivalents**

The company maintains its Cash and cash equivalents and Bank deposits with banks having good reputation, good past track record and high quality credit rating and also reviews their credit-worthiness on an on-going basis.



**ARVEE LABORATORIES (INDIA) LIMITED**  
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**E. Trade receivables**

Trade receivables of the company are typically unsecured. Credit risk is managed through credit approvals and periodic monitoring of the creditworthiness of customers to which company grants credit terms in the normal course of business. The company performs ongoing credit evaluations of its customers' financial condition and monitors the creditworthiness of its customers to which it grants credit terms in the normal course of business. The allowance for impairment of Trade receivables is created to the extent and as and when required, based upon the expected collectability of accounts receivables.

As per our separate report of even date

Attached herewith

**FOR, Nirav Patel & Associates**  
**CHARTERED ACCOUNTANTS**

for and on behalf of the board of directors

**For, Arvee Laboratories (India) Limited**

  
NIRAV PATEL

PARTNER

M. NO. 132409

UDIN: 24132409BKCQMU9260



Place: Ahmedabad

Date: 17/05/2024

Shalin Patel

Managing Director

DIN: 01779902

Shalin Chokshi

Whole Time Director

DIN: 00191903





Saurin A Gandhi

CFO

PAN: AJUPG7995F



Raina Singh Chauhan

Company Secretary

M. No. 57624



**Arvee Laboratories (India) Limited**

CIN: L24231GJ2012PLC068778

Notes to Financial Statements for the year ended 31st March, 2024

(Amount in Thousands)

**3. Property, Plant and Equipments and Capital Work-in-Progress**

Reconciliation of Carrying Amount

Carrying Amount	As at 31st March, 2024	As at 31st March, 2023
Land	2,000.00	2,000.00
Building	53,468.09	55,243.31
Plant & Machinery	52,147.45	56,970.11
Laboratory Equipment	166.62	105.00
Electric Installation	7,711.44	2,950.31
Furniture & Fixtures	4,325.80	4,892.99
Office Equipments	742.83	960.09
Computer and Printers	157.05	194.10
Vehicles	5,962.09	3,387.16
Capital Work-in-Progress	<b>1,26,681.38</b>	<b>1,26,703.06</b>
<b>Total</b>	<b>1,52,928.58</b>	<b>1,41,972.96</b>

Particulars	Land	Building	Plant & Machinery	Laboratory Equipment	Electric Installation	Furniture & Fixtures	Office Equipments	Computer and Printers	Vehicles	Total
<b>Gross Carrying Amount</b>										
Balance as at 31 March, 2022	2,000.00	68,081.54	2,05,604.53	833.93	8,265.94	5,954.03	3,107.99	1,273.22	2,343.66	2,97,464.84
Additions	-	-	6,380.65	-	-	-	207.26	-	2,759.42	9,347.33
Disposals	-	-	-	-	-	-	-	-	349.00	349.00
Balance as at 31 March, 2023	2,000.00	68,081.54	2,11,985.19	833.93	8,265.94	5,954.03	3,315.25	1,273.22	4,754.08	3,06,463.17
Additions	-	-	5,614.36	101.62	5,524.50	-	161.91	51.00	3,427.56	14,880.94
Disposals	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March, 2024	2,000.00	68,081.54	2,17,599.54	935.55	13,790.44	5,954.03	3,477.16	1,324.22	8,181.64	3,21,344.11
<b>Accumulated Depreciation and Impairment</b>										
Balance as at 31 March, 2022	-	11,067.86	1,37,538.54	698.54	4,735.74	1,205.41	1,878.84	955.45	1,154.30	1,59,234.68
Depreciation Expense	-	1,770.37	16,766.53	30.39	579.89	565.63	476.31	123.67	401.68	20,714.48
Eliminated on Disposal of Asset	-	-	-	-	-	-	-	-	189.05	189.05
Balance as at 31 March, 2023	-	12,838.23	1,54,305.07	728.93	5,315.63	1,771.04	2,355.15	1,079.12	1,366.93	1,79,760.11
Depreciation Expense	-	1,775.22	10,437.02	40.00	763.36	567.18	379.18	88.04	852.62	14,902.62
Eliminated on Disposal of Asset	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March, 2024	-	14,613.45	1,64,742.10	768.92	6,078.99	2,338.23	2,734.33	1,167.17	2,219.55	1,94,662.73
<b>Net Carrying Amount</b>										
Balance as at 31 March, 2022	2,000.00	57,013.68	68,065.99	135.39	3,530.20	4,748.62	1,229.15	317.77	1,189.37	1,38,230.16
Additions	-	-	6,380.65	-	-	-	207.26	-	2,759.42	9,347.33
Disposals	-	-	-	-	-	-	-	-	349.00	349.00
Depreciation Expense	-	1,770.37	16,766.53	30.39	579.89	565.63	476.31	123.67	401.68	20,714.48
Eliminated on Disposal of Asset	-	-	-	-	-	-	-	-	189.05	189.05
Balance as at 31 March, 2023	2,000.00	55,243.31	57,680.11	105.00	2,950.31	4,182.99	960.09	194.10	3,387.16	1,26,703.06
Additions	-	-	5,614.36	101.62	5,524.50	-	161.91	51.00	3,427.56	14,880.94
Disposals	-	-	-	-	-	-	-	-	-	-
Depreciation Expense	-	1,775.22	10,437.02	40.00	763.36	567.18	379.18	88.04	852.62	14,902.62
Eliminated on Disposal of Asset	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March, 2024	2,000.00	53,468.09	52,857.45	166.62	7,711.44	3,615.80	742.83	157.05	5,962.09	1,26,681.38



4. Other Intangible Assets

Reconciliation of Carrying Amount

Carrying Amount	As at 31st March, 2024	As at 31st March, 2023
Computer Software	22.50	101.52

Particulars	Computer Software	Total
<b>Gross Carrying Amount</b>		
Balance as at 31 March, 2022	450.00	450.00
Additions	-	-
Disposals	-	-
Balance as at 31 March, 2023	450.00	450.00
Additions	-	-
Disposals	-	-
Balance as at 31 March, 2024	450.00	450.00
<b>Accumulated Depreciation and Impairment</b>		
Balance as at 31 March, 2022	262.98	262.98
Depreciation Expense	85.50	85.50
Eliminated on Disposal of Asset	-	-
Balance as at 31 March, 2023	348.48	348.48
Depreciation Expense	79.02	79.02
Eliminated on Disposal of Asset	-	-
Balance as at 31 March, 2024	427.50	427.50
<b>Net Carrying Amount</b>		
Balance as at 31 March, 2022	187.02	187.02
Additions	-	-
Disposals	-	-
Depreciation Expense	85.50	85.50
Eliminated on Disposal of Asset	-	-
Balance as at 31 March, 2023	101.52	101.52
Additions	-	-
Disposals	-	-
Depreciation Expense	79.02	79.02
Eliminated on Disposal of Asset	-	-
Balance as at 31 March, 2024	22.50	22.50



5. CWIP ageing schedule for the project in progress

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Plant No. 30	-	116.59	-	2,526.16	2,642.75
(ii) Hydrogenation Plant	-	-	5,400.86	-	5,400.86
(iii) Fire Hydrant System	-	-	1,849.72	-	1,849.72
(iii) Other Plant Civil Construction Works	10,977.30	5,376.58	-	-	16,353.88
<b>Total</b>					<b>26,247.20</b>

6. CWIP completion schedule (Not applicable to us)

Particulars	Amount in CWIP for a period of		
	Less than 1 year	1-2 years	2-3 years
			More than 3 years





**Arvee Laboratories (India) Limited**

CIN: L24231GJ2012PLC068778

Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2024

**5. Other Financial Assets - Non Current**

(Amount in Thousands)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Unsecured, Considered Good unless otherwise stated		
Security Deposits	2,244.45	1,720.82
Balances with banks		
- Bank Deposits with more than 12 months maturity	56,745.88	23,479.18
- Bank Deposits- CBI- Pledge with The Supt. of Prohibition & Excise	-	141.57
Other Loans-Unsecured, Considered Good		
- Loans to Employees	73.52	110.50
<b>Total</b>	<b>59,063.85</b>	<b>25,452.08</b>

**6. Other Non Current Assets**

Particulars	As at 31 March, 2024	As at 31 March, 2023
Unsecured, Considered Good unless otherwise stated		
Misc. Expenditure to the extent not W/off	12.50	25.00
Unsecured, Considered Good unless otherwise stated		
Advance to Suppliers for Capital Goods	2,045.41	3,600.25
<b>Total</b>	<b>2,057.91</b>	<b>3,625.25</b>

**7. Inventories**

Particulars	As at 31 March, 2024	As at 31 March, 2023
Raw Material	16,660.82	20,489.08
Finished Goods	46,662.81	24,862.08
Work in progress	-	-
Stores and Spares	309.50	163.10
Packing Material	319.59	169.88
<b>Total</b>	<b>63,952.72</b>	<b>45,684.13</b>

7.1 Inventories are hypothecated against the cash credit facility availed from standard chartered bank refer Note No. 16

7.2 During the Financial Year 2023-24 an amount of Rs. Nil (31st March, 2023 Rs. Nil) was charged to the statement of Profit & Loss on account of damaged and slow moving inventory. The reversal on account of above during the year amounted to Nil. (31st March 2023: Nil)

**8. Trade Receivables**

Particulars	As at 31 March, 2024	As at 31 March, 2023
Trade receivables		
Unsecure considered good		
- Receivable from related parties	61,127.80	1,22,612.91
- Receivable from others	-	-
Doubtful	-	-
<b>Total</b>	<b>61,127.80</b>	<b>1,22,612.91</b>

**Trade receivables ageing schedule as on 31/03/2024**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	more than 3 years	
(i) Undisputed Trade receivables - considered good	60,812.60	-	-	-	91.06	60,903.66
(ii) Undisputed Trade receivables - which have significant risk in credit risk	-	-	-	-	224.14	224.14
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-



(v) Disputed Trade receivables - which have significant risk in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-

**Trade receivables ageing schedule as on 31/03/2023**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	more than 3 years	
(i) Undisputed Trade receivables - considered good	1,22,172.83	-	-	-	91.06	1,22,263.89
(ii) Undisputed Trade receivables - which have significant risk in credit risk	-	5.95	118.92	-	224.14	349.01
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant risk in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-

**9. Cash and cash Equivalents**

Particulars	As at 31 March, 2024	As at 31 March, 2023
Cash on hand	1,255.20	1,283.53
Balances with banks		
- In Current Accounts	17,245.34	3,620.70
- In EEFC Accounts	-	470.28
- Bank Deposits	-	-
<b>Total</b>	<b>18,500.55</b>	<b>5,374.51</b>

**10. Bank balances other than Cash and cash equivalent**

Particulars	As at 31 March, 2024	As at 31 March, 2023
In Fixed deposit with maturity for more than 3 months but less than 12 months from balance	154.27	3,542.64
<b>Total</b>	<b>154.27</b>	<b>3,542.64</b>

**11. Current Loans**

Particulars	As at 31 March, 2024	As at 31 March, 2023
Loans to Related Parties	-	-
Loans to others		
- Loan to Employees - Unsecured Considered good	122.31	286.18
<b>Total</b>	<b>122.31</b>	<b>286.18</b>

**12. Other Financial Assets**

Particulars	As at 31 March, 2024	As at 31 March, 2023
Interest Accrued on Deposits-PGVCL	92.71	50.08
<b>Total</b>	<b>92.71</b>	<b>50.08</b>

**13. Other Current Assets**

Particulars	As at 31 March, 2024	As at 31 March, 2023
Balance with Government Authorities		
- Unsecured, Considered Good	20,690.52	35,985.02
Advance to Suppliers		
- Unsecured, Considered Good	1,333.17	226.15
Other Receivables	1,938.61	1,939.49
<b>Total</b>	<b>23,962.30</b>	<b>38,150.65</b>



**Arvee Laboratories (India) Limited**  
CIN: L24231GJ2012PLC068778  
Statement of Changes in Equity for the year ended 31 March 2024

(Amount in Thousands)

**14. EQUITY SHARE CAPITAL**

Particulars	As at 31 March, 2024	As at 31 March, 2023
<b>Authorised</b>		
1,12,50,000 Equity Shares of Rs. 10/- each	1,12,500.00	1,12,500.00
<b>Issued, Subscribed and fully paid up capital</b>		
1,10,20,000 Equity Shares of Rs. 10/- each	1,10,200.00	1,10,200.00
<b>Total</b>	<b>1,10,200.00</b>	<b>1,10,200.00</b>

**14.1 Current Reporting Period**

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
1,10,200.00	-	1,10,200.00	-	1,10,200.00

**14.2 Previous Reporting Period**

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
1,10,200.00	-	1,10,200.00	-	1,10,200.00

**14.3. The reconciliation of the number of Equity Shares and amount outstanding at the beginning and at the end of the reporting period is set out below:**

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Number of Shares	Amount in Rs.	Number of Shares	Amount in Rs.
Shares outstanding at the beginning of the year	1,10,20,000.00	1,10,200.00	1,10,20,000.00	1,10,200.00
Shares Issued during the year	-	-	-	-
Bonus Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	<b>1,10,20,000.00</b>	<b>1,10,200.00</b>	<b>1,10,20,000.00</b>	<b>1,10,200.00</b>

**14.4. 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 proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

During the year ended 31<sup>st</sup> March 2024, No dividend is declared by Board of Directors. (Previous year - Nil)

**14.5. Shares held by Holding / Ultimate holding company and/or their subsidiaries/associates: Not Applicable**

**14.6 Shares reserved for issue under options: NIL**





**14.7. Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares brought back during the period of five years immediately preceding the reporting date:**

	As at 31 March, 2024		As at 31 March, 2023		As at 31 March, 2022	
	Number of Shares		Number of Shares		Number of Shares	
Equity shares with voting rights						
- Bonus Shares Issued during the year	-	-	-	-	-	-

\* Bonus shares were issued in the ratio of 1:1 on 14th October 2020.

**14.8. Securities convertible into equity / preference shares issued along with the earliest date of conversion: NIL**

**14.9. Forfeited Shares : NIL**

**14.10. Details of Shareholders holding more than 5% shares in the company:**

Name of Shareholder	As at 31 March, 2024		As at 31 March, 2023	
	No. of Shares held	% of shares held	No. of Shares held	% of shares held
Mitaben B Chokshi	27,08,000.00	24.57%	27,08,000.00	24.57%
Kavita S Chokshi	13,39,000.00	12.15%	13,39,000.00	12.15%
Shalinbhai S. Patel	40,42,000.00	36.68%	40,42,000.00	36.68%
<b>Total</b>	<b>80,89,000.00</b>	<b>73.40%</b>	<b>80,89,000.00</b>	<b>73.40%</b>

**14.11. Details of promoters holding shares in the company:**

Name of Shareholder	As at 31 March, 2024			As at 31 March, 2023		
	No. of Shares held	% of shares held	% Change during the year	No. of Shares held	% of shares held	% Change during the year
Shalinbhai B. Chokshi **	1,000.00	0.01%	-	1,000.00	0.01%	-99.93%
Shalinbhai S. Patel *	40,42,000.00	36.68%	-	40,42,000.00	36.68%	-
<b>Total</b>	<b>40,43,000.00</b>	<b>36.69%</b>	<b>0.00%</b>	<b>40,43,000.00</b>	<b>36.69%</b>	<b>-99.93%</b>

\* Shareholding of Mr. Shalin S. Patel has been increased in FY 2021-2022 due to receipt of shares of his late father through nomination.

\*\* Mr. Shalin B. Chokshi has transferred 13,37,000 shares to his wife Mrs Kavita S Chokshi in FY 2022-23.

**15. Other equity**

Particulars	Attributable to the equity holders of the parent				Total
	Reserves and Surplus				
	Securities Premium	General Reserve	Retained Earnings	Other Comprehensive income	
<b>Balance as at April 1, 2022</b>	<b>19,360.00</b>	-	<b>1,09,859.44</b>	-	<b>1,29,219.44</b>
Profit for the year	-	-	41,190.02	-	41,190.02
other comprehensive income for the year	-	-	-	-	-
<b>Total Comprehensive income for the year</b>	-	-	41,190.02	-	41,190.02
Short / Excess Provision Of Tax In Earlier Year	-	-	12.40	-	12.40
<b>Balance as at March 31, 2023</b>	<b>19,360.00</b>	-	<b>1,51,061.86</b>	-	<b>1,70,421.86</b>
<b>Balance as at April 1, 2023</b>	<b>19,360.00</b>	-	<b>1,51,061.86</b>	-	<b>1,70,421.86</b>
Profit for the year	-	-	10,518.35	-	10,518.35
other comprehensive income for the year	-	-	-	-	-
<b>Total Comprehensive income for the year</b>	-	-	10,518.35	-	10,518.35
Short / Excess Provision Of Tax In Earlier Year	-	-	-	-	-
<b>Balance as at March 31, 2024</b>	<b>19,360.00</b>	-	<b>1,61,580.22</b>	-	<b>1,80,940.22</b>



15.1 Nature and Purpose of Reserves

Nature	Purpose of Reserves
Securities Premium Account	The amount received in excess of face value of the equity shares is recognised in securities premium. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.
Retained Earnings	Retained earnings are the profits that the Company has earned till date, reduced by dividend distributions and paid to shareholders.

Significant accounting policies

The accompanying notes are an integral part of the financial statements

As per our separate report of even date attached

For, Nirav Patel & Associates  
Chartered Accountants


CA Nirav Patel  
Partner  
M. No. 132409  
FRN :- 129824W



Place : Ahmedabad  
Date : 17/05/2024  
UDIN : 24132409BKCQMU9260

For and on behalf of the Board of Directors of  
Arvee Laboratories (India) Limited

  
Shalin S Patel  
Managing Director  
[DIN: 01779902]

  
Shalin B Chokshi  
Whole Time Director  
[DIN: 00191903]





Saurin A Gandhi  
Chief Financial Officer  
[PAN: AJUPG7995F]



Raina Singh Chauhan  
Company Secretary  
[M. No. 57624]



**16. Borrowings**

Particulars	As at 31 March, 2024	As at 31 March, 2023
<b>Secured</b>		
Export Packing Credit Facility	-	-
<b>Unsecured</b>		
Loans from Related Parties [Unsecured Loans are taken in pursuance of stipulation of basic requirement]	10,000.00	10,000.00
<b>Total</b>	<b>10,000.00</b>	<b>10,000.00</b>
<b>Non Current</b>	<b>10,000.00</b>	<b>10,000.00</b>
<b>Current</b>	-	-

The details of security of the borrowings are set out below :

Description of Security offered to Standard Chartered Bank by way of Exclusive first charge of the following property/assets:

- Hypothecation of Plant and Machinery of the company.
- Registered Mortgage over the company's 1. R.S. No. 316 paiki Plot No 1 area admeasuring about 7183 sq mtr with construction thereon mouje kardej Ta. & Dist Bhavnagar, 2. residential flat No 403, Kailash Apartment, Nr. Gogha Circle, Bhavnagar & residential flat No 103, Pruthvi Plaza, Nr Gogha Circle, Bhavnagar.
- First charge on entire current assets of the company including Raw Materials, Stock in process, Finished goods, spares & Receivables (not older than 90 days) present and future.
- Personal Guarantee of Directors.

**Rate of Interest & Repayment terms of Loans:**

- Export Packing Credit taken from Standard Chartered Bank bear LIBOR+200BPS rate of interest per annum and generally repayable in 90 days.
- Working Capital Facility in INR taken from Standard Chartered Bank bear 3.77% + 3 month MIBOR rate of interest per annum payable on demand.

**Rate of Interest & Repayment terms of Unsecured loans taken from Directors:**

- Unsecured Loans taken from Directors and relatives of directors bear interest rate of 12% to 15% per annum .
- Unsecured Loans taken from Directors and relative of directors are repayable as and when demanded after acceptance.

**17. Non Current Provisions**

Particulars	As at 31 March, 2024	As at 31 March, 2023
Provision for employees benefits	2,997.82	2,873.00
<b>Total</b>	<b>2,997.82</b>	<b>2,873.00</b>

**18. Deffered Tax Liabilities (Net)**

Particulars	As at 31 March, 2024	As at 31 March, 2023
<b>Deffered Tax Liabilities (Net)</b>		
<i>As at the beginning of the year</i>	4,960.28	2,002.48
<i>Charge/(credit) to Statement of Profit and Loss</i>	3,464.39	2,957.80
<i>As at the end of the year</i>	8,424.66	4,960.28
<b>Total</b>	<b>8,424.66</b>	<b>4,960.28</b>



**19. Trade Payables**

Particulars	As at 31 March, 2024	As at 31 March, 2023
<b>Trade Payables</b>		
- Total outstanding dues of MSME	4,282.26	3,109.31
- Others outstanding	61,949.42	76,043.17
<b>Total</b>	<b>66,231.68</b>	<b>79,152.48</b>

**Trade payables ageing schedule as on 31/03/2024**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	4,282.26	-	-	-	4,282.26
(ii) Others	61,836.48	111.29	-	1.65	61,949.42
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-

**Trade payables ageing schedule as on 31/03/2023**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	3,033.42	-	34.08	41.81	3,109.31
(ii) others	75,660.37	39.20	-	343.61	76,043.17
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-

The information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

**20. Provisions**

Particulars	As at 31 March, 2024	As at 31 March, 2023
Provision for employees benefits	717.94	554.39
Provision for Expenses	3,452.71	3,511.20
Provision for Taxation (Net of Advance Tax and TDS)	(3,646.66)	2,430.86
<b>Total</b>	<b>523.99</b>	<b>6,496.45</b>

**21. Other Current Liabilities**

Particulars	As at 31 March, 2024	As at 31 March, 2023
Statutory Dues	777.99	801.71
Advance From Customers	1,889.15	1,947.15
<b>Total</b>	<b>2,667.14</b>	<b>2,748.86</b>



## Arvee Laboratories (India) Limited

CIN: L24231GJ2012PLC068778

Notes to Financial Statements for the year ended 31st March 2024

### 22. Revenue from operations

(Amounts in Thousands)

Particulars	for the year ended 31st March 2024	for the year ended 31st March 2023
Sales of Products		
(a) Domestic Sales		
(i) By way of Manufacturing	2,34,534.34	2,73,839.27
(ii) By way of Trading	1,095.83	12,336.00
(b) Export Sales		
(i) By way of Manufacturing	67,024.53	3,25,537.72
(ii) By way of Trading	767.34	1,051.60
Other Operating Income	29.65	706.34
<b>Total</b>	<b>3,03,451.69</b>	<b>6,13,470.92</b>

### 23. Other Income

Particulars	for the year ended 31st March 2024	for the year ended 31st March 2023
Interest Income	3,580.58	2,011.34
Forex Rate Diffrence	1,475.71	11,345.20
Profit on sale of Liquid Funds	644.84	83.26
Profit on sale of Car	-	10.05
Miscellenous Income	101.71	65.92
Marine Insurance Claim	-	-
Remission of Liabilities	596.70	
<b>Total</b>	<b>6,399.54</b>	<b>13,515.77</b>

### 24. Cost of Material Consumed

Particulars	for the year ended 31st March 2024	for the year ended 31st March 2023
Inventory at the beginning of the year	20,489.08	22,537.60
Add : Purchases	1,64,883.71	3,82,852.63
Less : Inventory at the end of the year	(16,660.82)	(20,489.08)
<b>Total</b>	<b>1,68,711.96</b>	<b>3,84,901.16</b>



**25. Changes in Inventories of finished Goods, Work-in-Progress and Stock in Trade**

Particulars	for the year ended 31st March 2024	for the year ended 31st March 2023
<u>Inventories at the end of the year</u>		
Closing stock of finished goods	46,662.81	24,862.08
Closing stock of work in progress		
	<b>46,662.81</b>	<b>24,862.08</b>
<u>Inventories at the beginning of the year</u>		
Opening stock of finished goods	24,862.08	34,363.87
Opening stock of work in progress		
	<b>24,862.08</b>	<b>34,363.87</b>
<b>Net (Increase) /decrease</b>	<b>(21,800.73)</b>	<b>9,501.78</b>

**26. Employee Benefits Expense**

Particulars	for the year ended 31st March 2024	for the year ended 31st March 2023
Salaries and Wages	37,010.83	39,081.16
Contribution to Provident Fund and Other Funds	844.79	796.32
Keyman Insurance Premium	20,000.00	20,000.00
Staff Welfare Expenses	1,436.06	1,475.98
<b>Total</b>	<b>59,291.68</b>	<b>61,353.46</b>

**27. Finance Costs**

Particulars	for the year ended 31st March 2024	for the year ended 31st March 2023
Interest Expenses		
- paid for Cash Credit & EPC	-	1,126.11
- paid for Unsecured loans	1,520.72	1,511.61
- paid for Others	355.81	218.55
Bank charges	618.11	1,023.17
<b>Total</b>	<b>2,494.64</b>	<b>3,879.45</b>





**28. Depreciation, Amortisation and Impairment expense**

Particulars	for the year ended 31st March 2024	for the year ended 31st March 2023
Depreciation on Property, Plant and Equipment	14,902.62	20,714.48
Depreciation on Other Intangible Assets	79.02	85.50
<b>Total</b>	<b>14,981.64</b>	<b>20,799.98</b>

**29. Other Expenses**

Particulars	for the year ended 31st March 2024	for the year ended 31st March 2023
<b>Administrative Expenses</b>		
Bad Debts	451.10	368.04
Communication Expenses	278.65	285.58
Audit Fees * (see footnote below)	300.00	300.00
Listing Related Expenses	449.50	477.16
Excess Vat Credit Written off	-	-
Insurance Expense	986.64	1,118.25
Professional & Consulting Fees	4,156.35	4,724.79
Pest Control Service	48.75	32.76
Membership Fees	5,618.90	352.32
Office & General Exp.	437.67	320.94
Petrol & Conveyance Exp	408.66	382.68
Postage & Courier Exp	56.22	67.23
Printing & Stationary Expenses [Bvn]	106.47	171.75
Rent Rates & Taxes	3,820.99	3,829.82
Vehicle Repairing Exp [Bvn]	108.39	78.46
Donation	1,076.00	4,506.00
Security Exps	1,161.44	1,110.35
Preliminary Expenses written off	12.50	12.50
Miscellaneous Expense	644.87	509.20
Website Exps.	-	15.00
	<b>20,123.08</b>	<b>18,662.84</b>
<b>Manufacturing Expenses</b>		
Stores & Consumables	7,550.73	11,049.38
Power and Fuel	18,205.31	23,755.98
Job Work Charges	-	-
Freight & Transport Charges	6,730.44	1,866.87



Other Manufacturings Exps.	8,251.57	8,598.75
	<b>40,738.04</b>	<b>45,270.97</b>

<b>Selling and Distribution Expenses</b>		
Advertisement Exp	45.84	45.69
Travelling Expenses Foreign	585.57	158.98
Travelling Expenses Local	214.02	297.37
Business Promotion Expenses	185.65	266.88
Export Related Expenses	4,051.47	15,064.84
Export Sales Commission	1,933.24	5,131.23
	<b>7,015.79</b>	<b>20,964.99</b>
<b>Total Other Exps.</b>	<b>67,876.91</b>	<b>84,898.81</b>

Particulars	for the year ended 31st March 2024	for the year ended 31st March 2023
<b>Auditor Remuneration</b>		
Audit Fees - Internal Audit		
Audit Fees - Statutory Audit	300.00	300.00
<b>Total</b>	<b>300.00</b>	<b>300.00</b>



## **ARVEE LABORATORIES (INDIA) LIMITED**

Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2024

### **30. Contingent liabilities and commitments (to the extent not provided for)**

#### **(a) Contingent liabilities**

<b>Sr. No.</b>	<b>Particulars</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
1.	Bank Guarantee	Nil	Nil
2.	Claims against the company not acknowledged as debt	Nil	Nil
3.	Other money for which the company is contingently liable	Nil	Nil

#### **(b) Commitments**

<b>Particulars</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Estimated amount of contracts remaining to be executed on capital account not provided for before adjusting advances paid.	Nil	Nil

### **31. Accounting for taxes on income**

#### **(a) Current Tax**

The details of Current Tax Expense charged to the statement of profit & loss during the financial year 2023-24 is as follows

(Amount in Thousands)

<b>Particulars of Current Tax</b>	<b>2023-24</b>	<b>2022-23</b>
<b>Profit Before Tax</b>	<b>18,295.12</b>	<b>61,652.06</b>
Add : Expenses to the extent disallowable	16,868.05	25,765.74
Less : Expenses to the extent Allowable	22,056.69	17,858.17
Less: Adjustment of Brought Forward Loss	-	-
<b>Net Taxable Profit</b>	<b>13,106.48</b>	<b>69,559.63</b>
<b>Current Tax at Applicable Rate*</b>	<b>4,312.38</b>	<b>17,504.24</b>
Less : MAT Credit Entitlement	-	-
<b>Net Current Tax recognized in P&amp;L Account</b>	<b>4,312.38</b>	<b>17,504.24</b>

Income tax rate for 2023-24 & 2022-23 is 25.168 %.



## **ARVEE LABORATORIES (INDIA) LIMITED**

**Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2024**

### **Deferred tax**

The computation of Deferred Tax Expense charged to the statement of profit & loss and during the financial year 2023-24 is as follows:

(Amount in Thousands)

Particulars of Deferred Tax	2023-24		2022-23	
	Asset	Liability	Asset	Liability
Opening Balance	-	5,683.35	-	2,637.28
WDV as per Companies Act, 2013	-	152,951.08	-	142,074.48
WDV as per Income Tax, 1961	-	116,479.54	-	119,492.83
Diff. in WDV due to timing difference	-	36,471.54	-	22,521.65
Deferred tax liability for the year – Balance Sheet Item	-	9,179.16	-	5,683.35
Net Deferred Tax Exps / (Income) – Profit & Loss Item	-	3,495.81	-	3,046.07
Opening Balance	723.08	-	634.80	-
Net Disallowance of Provision for Gratuity	124.83	-	2,873.00	-
Deferred tax Asset – Balance Sheet Item	754.50	-	723.08	-
Net Deferred Tax Exps / (Income) – Profit & Loss Item	(31.42)	-	(88.28)	-
Net Deferred Tax Exps / (Income) recognized in Profit & Loss	-	3,464.39	-	(2,957.79)
Net Deferred Tax liability (Asset) reflected in Balance Sheet	-	8,424.66	-	4,960.27

### **32. Additional Regulatory information**

#### **Analytical Ratios**

Sr. No.	Ratios	Numerator	Denominator	As at March 31, 2024	As at March 31, 2023	Variance	Explanation for any change in the ratio by more than 25% as compared to the preceding year
1.	Current ratio	Current Assets	Current Liabilities	2.42	2.44	-0.88%	





## **ARVEE LABORATORIES (INDIA) LIMITED**

**Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2024**

2	Debt- equity ratio	Debt (Borrowings + Lease liabilities)	Shareholder's equity	0.03	0.04	-3.61%	-
3	Debt service coverage ratio	Earnings for Debt Service (Profit after tax + depreciation + finance cost + Profit on sale of Property, plant and equipment	Debt service ( Interest and lease payments + Principal repayments )	18.00	24.59	-26.78%	-
4	Return on equity ratio	Net profit for the year	Average shareholder's equity	0.04	0.16	-76.77%	-
5	Inventory turnover ratio	Cost of goods sold or sales	Average inventory	1.39	1.57	-11.25%	-
6	Trade receivables turnover ratio	Revenue from operations	Average Trade receivables	3.30	5.03	-34.28%	-
7	Trade payables turnover ratio	Purchase	Average trade payables	2.27	4.31	-47.41%	-
8	Net capital turnover ratio	Revenue from operations	Working Capital (Current Assets - Current Liabilities)	2.69	5.67	-52.63%	-
9	Net profit ratio	Net profit for the year	Revenue from operations	0.03	0.07	-48.43%	-



## **ARVEE LABORATORIES (INDIA) LIMITED**

**Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2024**

10	Return on capital employed	Profit before tax and finance costs	Capital employed (Net Worth + borrowings + lease liabilities)	0.06	0.21	-73.08%	-
11	Return on investment	Income generated from treasury investments	Average invested funds on treasury investments	NA	NA	NA	NA

### **33. Related Party Transactions:**

The following details give information pursuant to Indian Accounting Standard 24 "Related party disclosures"

#### **a) Related parties and their relationship**

Name of the related party	Relationship
Mr. Shalin Patel	Key Managerial Personnel
Mr. Shalin Chokshi	Key Managerial Personnel
Mrs. Forum S Chokshi	Director's Relative
Mrs. Kavita S Chokshi	Director's Wife
Mrs. Khushbu S Patel	Director's Wife
Mr. Bharatbhai R Chokshi	Director's Father
Mr. Shalin Chokshi HUF	Director's HUF
Mr. Shalin Patel HUF	Director's HUF
Mr. Saumil Chokshi HUF	Director's Brother's HUF
Mr. Sudhakar C Patel HUF	Director's Father's HUF
Mrs. Chandrabalaben S Patel	Director's Mother
B Chokshi Chem Pvt. Ltd.	Associate Concern
Arvee Speciality Chemicals Private Limited	Associate Concern
Applitech Infotech Pvt Ltd.	Associate Concern



## ARVEE LABORATORIES (INDIA) LIMITED

Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2024

### b) Transactions with related parties

(Amount in Thousands)

NAME OF RELATED PERSON	RELATION	NATURE OF TRANSACTION	PAYMENT MADE (AMOUNT) 2023-2024	PAYMENT MADE (AMOUNT) 2022-2023
Shalin Patel	Director	Salary	3,713.46	3,600.00
		Opening Balance	311.88	279.75
		Closing Balance	190.17	311.88
Shalin Patel	Director	Loan Taken	0.00	2,800.00
		Loan Repaid	0.00	2,800.00
		Opening Balance	0.00	0.00
		Closing Balance	0.00	0.00
Shalin Patel	Director	Interest paid	0.00	4.60
		Opening Balance	0.00	0.00
		Closing Balance	0.00	0.00
Shalin Patel	Director	Rent	850.08	850.08
		Opening Balance	0.00	0.00
		Closing Balance	0.00	0.00
Shalin Chokshi	Director	Salary	3,713.46	3,600.00
		Opening Balance	311.88	279.75
		Closing Balance	190.17	311.88
Shalin Chokshi	Director	Loan Taken	6877.00	4,150.00
		Loan Repaid	6877.00	4,150.00
		Opening Balance	0.00	0.00
		Closing Balance	0.00	0.00
Shalin Chokshi	Director	Interest paid	16.48	5.75
		Opening Balance	0.00	0.00
		Closing Balance	0.00	0.00
Chandrabalaben Patel	Director's Mother	Rent Paid	538.56	538.56
		Opening Balance	0.00	0.00
		Closing Balance	0.00	0.00
Bharatbhai Chokshi	Director's Father	Professional Fees	1,800.00	1,950.00
		Opening Balance	0.00	0.00
		Closing Balance	0.00	0.00
Kavita Chokshi	Director's wife	Rent Paid	565.44	565.44
		Opening Balance	0.00	0.00
		Closing Balance	0.00	0.00
Shalin Patel HUF	Director's HUF	Interest Paid	752.12	750.63
		Loan Taken	0.00	0.00



## **ARVEE LABORATORIES (INDIA) LIMITED**

**Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2024**

		Loan Repaid	0.00	0.00
		Opening Balance	5,000.00	5,000.00
		Closing Balance	5,000.00	5,000.00
Sudhakar Patel HUF	HUF of Director's Father	Interest Paid	752.12	750.63
		Loan Taken	0.00	0.00
		Loan Repaid	0.00	0.00
		Opening Balance	5,000.00	5,000.00
		Closing Balance	5,000.00	5,000.00
Arvee Speciality Chemicals Private Limited	Associate Concern	Lease Rent	1,800.00	1,800.00
		Opening Balance	0.00	0.00
		Closing Balance	0.00	0.00
B. Chokshi Chem Private Limited	Associate Concern	Purchase of Goods	9,742.67	8,622.76
		Opening Balance	5,473.32	7,198.42
		Closing Balance	8,930.93	5,473.32

### **34. Earnings per Share**

Basic earnings per share are calculated by dividing the net profit for the period (excluding other comprehensive income) attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

**(Amount in Thousands)**

<b>Particulars</b>	<b>31/03/2024</b>	<b>31/03/2023</b>
A. Shareholders earnings (as per statement of profit and loss)	10,518.35	41,190.02
<b>B. Calculation of weighted average no. of Equity Shares:</b>		
Equity Shares Outstanding at the beginning of the period	11,020.00	11,020.00
Bonus shares issued during the year	-	-
Equity Shares Allotted pursuant to the Public Issue	-	-
Total No, of Equity Shares Outstanding at the end of the year	11,020.00	11,020.00
Weighted Average No. of Share (Based on date of issue of shares)	11,020.00	11,020.00
<b>C. Basic Earnings per Share (A/B)</b>	<b>0.95</b>	<b>3.74</b>





## **ARVEE LABORATORIES (INDIA) LIMITED**

**Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2024**

### **35. Other Information**

**(Amount in Thousands)**

#### **a) CIF value of Imports**

Particulars	2023-24	2022-23
Raw Materials	68,515.19	1,17,789.04

#### **b) Particulars of Expenditure in Foreign Exchange**

Particulars	2023-24	2022-23
Export Sales Commission	1,523.24	3,220.23

#### **c) Particulars of earnings in Foreign Exchange**

Particulars	2023-24	2022-23
Export of Goods on FOB Basis	63,686.96	3,75,888.99

#### **d) Consumption of Material**

Particulars	2023-24		2022-23	
	Amount Rs.	%	Amount Rs.	%
Raw Material				
- Indigenous	75,670.95	44.85%	2,74,402.46	28.71%
- Imported (CIF Basis)	93,041.01	55.15%	1,10,498.70	71.29%
<b>Total</b>	<b>1,68,711.96</b>	<b>100.00%</b>	<b>3,84,901.16</b>	<b>100.00%</b>

#### **e) Unhedged foreign currency exposure**

Particulars	Currency	2023-24	2022-23
Receivable	USD	180.70	500.87
Payable	USD	317.40	257.88
Receivable	EURO	0.00	0.00
Payable	EURO	0.00	0.00

#### **f) Other Notes on Accounts**

- (i) Estimated amount of contracts remaining to be executed on Capital Rs. NIL
- (ii) We have relied on internal evidences certified by management, in case where external evidences in respect of expenses are not available.
- (iii) Previous year's figures have been regrouped / reclassified and rearranged wherever necessary to correspond with the current year's classification / disclosure.



## **ARVEE LABORATORIES (INDIA) LIMITED**

### **Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2024**

- (iv) Details of Benami Property held: There are no proceedings which have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (v) There are no borrowings from banks or financial institution and company do not required to give additional information required by Schedule III.
- (vi) Wilful Defaulter: The Company has not been declared as Wilful Defaulter by any Bank or Financial Institution or other Lender.
- (vii) Relationship with Struck off Companies: There are no transactions with companies where names have been struck off under section 248 of Companies Act, 2013 of Companies Act, 1956 in the financial years ended March 31, 2024 and March 31, 2023.
- (viii) Compliance with number of layers of companies: The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- (ix) Compliance with approved Scheme(s) of Arrangements: The Company has not entered into any such arrangements during the year.
- (x) Utilisation of Borrowed funds and share premium: No funds 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 persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has also not received any fund from any parties (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (xi) Undisclosed Income: The Company does not have any transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Also, there are nil previously unrecorded income and related assets.
- (xii) Details of Crypto Currency or Virtual Currency: The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.



**ARVEE LABORATORIES (INDIA) LIMITED**


**Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2024**

As per our separate report of even date  
Attached herewith  
**FOR, Nirav Patel & Associates**  
**Chartered Accountants**

**Nirav Patel**  
**Partner**  
**M. NO. 132409**  
**UDIN: 24132409BKCQMU9260**

**Place: Ahmedabad**  
**Date: 17/05/2024**

for and on behalf of the board of directors  
**For, Arvee Laboratories (India) Limited**



**Shalin Patel**  
**Managing Director**  
**DIN: 01779902**



**Shalin Chokshi**  
**Whole Time Director**  
**DIN: 00191903**



**Saurin A Gandhi**  
**CFO**  
**PAN: AJUPG7995F**



**Raina Singh Chauhan**  
**Company Secretary**  
**M. No. 57624**

**PROXY FORM**

**[Pursuant to Section 105(6) of the Companies Act, 2013 read with Rule 19(3) of the companies (Management and Administration) Rules, 2014]**

**ARVEE LABORATORIES (INDIA) LIMITED**

Registered Office: 403, Entice, Nr. Jayantilal Park BRTS, Iskcon-Bopal  
Road, Ambli, Ahmedabad – 380 058, Gujarat, India

Telephone: +91 – 2717-430479

Email: [compliance@arveelabs.com](mailto:compliance@arveelabs.com), [www.arveelabs.com](http://www.arveelabs.com)

CIN: L24231GJ2012PLC068778

Name of the Member(s): Registered address: E-mail Id: Folio No./ Client ID: DP Id:
--

I/We being the member(s) of \_\_\_\_\_ shares of the above named Company hereby appoint:

(E) Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_ or failing him;

(2) Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_ or failing him;

(3) Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_ or failing him;

as my/our proxy to attend and vote (on a poll) for me /us and on my/our behalf at the 13<sup>th</sup> Annual General Meeting of the Company to be held at 403, Entice, Nr. Jayantilal Park BRTS, Iskcon-Bopal Road, Ambli, Ahmedabad – 380 058, Gujarat, on Saturday,



28th September, 2024 at 11.30 at 11:30 a.m. and at any adjournment thereof in respect of such resolution as are indicate below:

Resolution No	Particulars of Resolution	Voting	
		For	Against
	<b>ORDINARY BUSINESS</b>		
1	Adoption of Audited Accounts for the year ended on 31 <sup>st</sup> March, 2024 and the Reports of the Board of Directors and Auditors thereon. (Ordinary Resolution)		
2	To reappoint a Director in place of Mr. Shalin Bharatbhai Chokshi who retires by rotation and being eligible seeks re-appointment. (Ordinary Resolution)		
	<b>SPECIAL BUSINESS</b>		
3	To regularize the appointment of Mr. Praveen Kumar Rameshchandra Mishra as Director of the Company. ( Special Resolution)		
4	Approval of Related Party Transaction ( Ordinary Resolution )		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2024

\_\_\_\_\_  
Signature of the member

\_\_\_\_\_  
Signature of proxy holder

Affix Revenue Stamp
---------------------------

**Notes:**

1. This form, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the Annual General Meeting.
2. It is optional to indicate your preference. If you leave the 'for', or 'against' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

## ATTENDANCE SLIP

(To be presented at the entrance of the meeting venue)

**ARVEE LABORATORIES (INDIA) LIMITED**  
**Registered Address: 403, Entice, Nr. Jayantilal Park BRTS,**  
**Iskcon-Bopal Road, Ambli, Ahmedabad, Gujarat - 380058**  
[compliance@arveelabs.com](mailto:compliance@arveelabs.com) CIN: L24231GJ2012PLC068778  
[www.arveelabs.com](http://www.arveelabs.com), Tel: 91- 2717-430479

I / We certify that I / We am / are member(s) / proxy for the member(s) of the Company.

I / We hereby record my / our presence at the 13th Annual General Meeting of the members of Arvee Laboratories (India) Limited will be held at on Saturday, 28th day, of September, 2024 at 11:30 a.m. at the Registered Office of the Company situated at 403, Entice, Nr. Jayantilal Park BRTS, Iskcon-Bopal Road, Ambli, Ahmedabad, Gujarat - 380058 and at any adjournment(s) thereof.

Name of First Named Member/ Proxy/ Authorised Representative	
Folio No.:	*
DP ID No.:	*
Client ID No.:	
No. of Shares held:	

\_\_\_\_\_  
Member's / Proxy's Signature

Notes:

1. Only member / Proxyholder can attend the Meeting.
2. Members are requested to bring their copy of the Annual Report and this Attendance Slip at the AGM.
3. Please complete the form and handover at the entrance of the hall.
4. \*Applicable for Investors holding shares in electronic form.

## Route Map for venue of Meeting



## Arvee Laboratories (India) Limited

