Aro granite industries ltd.

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Date: August 11, 2025

Bombay Stock Exchange Limited
Department of Corporate Services
Floor 25, P.J. Towers
Dalal Street
Mumbai 400001
(SCRIP CODE: 513729)

National Stock Exchange of India Limited
Listing Department
5th Floor, Exchange Plaza
Bandra (E)
Mumbai 400051
(SYMBOL: AROGRANITE/EQ)

Sub: Annual Report for the financial year 2024-25 and Notice convening the 37th Annual General Meeting

Dear Sir/Madam,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, we submit herewith the Annual Report of the Company for the year 2024-25 along with the Notice convening the 37th Annual General Meeting scheduled to be held on September 12, 2025. The Annual Report is also available on the Company's website www.arotile.com.

You are requested to kindly take the same on record.

Thanking You

Yours faithfully
For Aro granite industries ltd.

AYUSH GOEL
Digitally signed by AYUSH GOEL
Date: 2025.08.11 15:42:56 +05'30'

Ayush Goel
Company Secretary

Enc.: As above

CORP. OFFICE & WORKS :
KONERIPALLI VILLAGE, SHOOLAGIR (VIA), HOSUR TALUK - 635 117, KRISHNAGIRI DIST. TAMIL NADU, INDIA.
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CIN : L74899DL1988PLC031510

Aro granite industries ltd.

An 100% EOU

Navigating Challenges Shaping Our Future

37th Annual Report 2024-25

Aro granite industries limited

Inside the Report

STRATEGIC REVIEW

02 About the Company
04 Our Journey
06 Geographical Presence
08 Product Portfolio
10 Manufacturing Facilities
12 Strategic Advancements
14 Key Performance Indicators
16 Letter to Shareholders
18 Corporate Social Responsibility
20 Risks and Mitigation Strategy
22 Management Discussion and Analysis

STATUTORY REPORTS

29 Corporate Information
30 Notice
41 Directors' Reports
59 Corporate Governance Report

FINANCIAL STATEMENTS

68 Independent Auditors' Report
78 Balance Sheet
79 Profit & Loss Statement
80 Cash Flow Statement
81 Statement of Changes in Equity
82 Notes to Financial Statements

Key Financial Highlights

123.09
Revenue
(₹ in Crores)

16.58
EBITDA
(₹ in Crores)

(6.23)
Profit After Tax
(₹ in Crores)

Forward Looking Statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward- looking statements, whether as a result of new information, future events or otherwise.

Navigating Challenges with Resilience and Purpose

Navigating a year unlike any before, Aro Granite Industries Limited stood at the crossroads of a deeply altered global landscape. Unexpected shifts in major export markets, intensified pricing competition, and a wave of logistical disruptions introduced new levels of complexity to every facet of our operations. The company's exposure to volatile shipping environments and new trade regimes provided an exacting test of our preparedness and organisational responsiveness. At every juncture, strategic agility, decisive management, and the enduring commitment of our workforce played a defining role in safeguarding business continuity.

Throughout this period, our teams drew upon experience to adapt swiftly to evolving external realities. Enhanced manufacturing at our Hosur and Jaipur facilities, early engagement with clients, and proactive scenario planning enabled us to maintain a stable foundation despite unforeseen hurdles.

As we reflect on FY25, it is not simply the challenges that define our story, but the manner in which we faced them. The lessons learned have fortified our resolve and renewed our commitment to operational excellence and disciplined growth. With renewed confidence, we look ahead, energised by what we have overcome and prepared to convert future opportunities into lasting achievements for our company and all those it serves.

ABOUT THE COMPANY

Setting Industry Standards in Stone Processing

Established in 1989, Aro Granite Industries Ltd. has earned distinction as India's leading processor and exporter of premium granite products. Over more than three decades, the company has established itself as a benchmark for excellence in quality, innovation, and client satisfaction within the natural stone industry. State-of-the-art manufacturing facilities in Hosur and Jaipur enable Aro Granite to transform carefully selected raw granite into exquisite finished products, consistently exceeding industry expectations and catering to diverse aesthetic and functional requirements across the globe.

Recognising the evolving needs of the market, Aro Granite strategically broadened its portfolio in 2020 by introducing quartz stone manufacturing at its Hosur facility. This expansion has enhanced the company's capacity to address dynamic customer preferences and reinforced its reputation for delivering high-calibre, contemporary surfaces. With its Hosur facility operating as a 100% Export Oriented Unit and the Jaipur site designated as a Special Economic Zone unit, Aro Granite maintains an impressive annual production capacity of 1 million square metres, entrenching its status as the nation's foremost exporter of finished granite.

Aro Granite's success is underpinned by its committed workforce and a robust supply chain, ensuring agility and responsiveness in a challenging global marketplace. Committed to sustainable growth, the company leverages industry expertise, rigorous quality standards, and a customer-centric approach to continuously enhance its product mix. Aro Granite remains resolute in its vision to deliver enduring value and maintain leadership within the global stone industry.

02

Manufacturing facilities, staffed by skilled and trained experts

Largest

Processed granite exporter of India

100+

Shades of granite and quartz stones

229

Members efficient workforce

OUR JOURNEY

Charting Decades of Progress and Distinction

Since our establishment in 1989, Aro Granite Industries Limited has charted a distinguished path of progress, innovation, and achievement. Guided by a steadfast dedication to superior quality and customer satisfaction, we have consistently evolved and expanded, setting industry-leading benchmarks within the granite and quartz sectors.

1989

Founded in 1989, Aro Granite Industries Limited commenced commercial production, laying the groundwork for a future defined by quality and reliability. This inaugural phase was a testament to our commitment to supplying high-calibre granite products to our esteemed clientele.

1995

A pivotal moment occurred in 1995, when the company became publicly listed and embarked on a comprehensive expansion programme. This strategic initiative broadened our operational capabilities and significantly enhanced our visibility within both domestic and international markets.

2001-2010

The years spanning 2001 to 2010 were marked by a continual focus on innovation and enhancement. During this period, we augmented our slab processing capacity, further elevating our reputation for operational excellence and market leadership.

2019

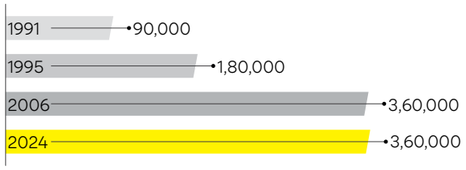
A major milestone was achieved in 2019 with the commissioning of our Jaipur plant, boosting our production capacity and operational efficiencies. This strategic addition allowed us to better address customer requirements and solidify our presence across new markets.

2021

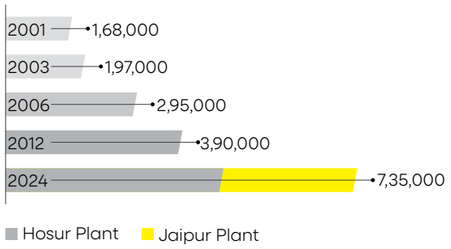
Demonstrating our adaptability and forward-looking approach, we diversified our portfolio by commissioning the quartz manufacturing plant in 2021. This initiative positions us to harness the increasing demand for quartz products, especially in the international arena.

Scaling Capacities

Granite Tiles (In Sq. Mt.)



Granite Slabs (In Sq. Mt.)



Certifications and Recognitions

Our evolution has been punctuated by numerous certifications and industry accolades, reflecting our adherence to the highest standards.

1996 - 1999

From 1996 to 1999, we were the recipients of Certificates of Merit from CAPEXIL for three consecutive years, underpinning our stature as a leader in the granite sector.

2002 - 2005

In 2002, we secured ISO 9001:2000 Quality Management Systems certification for both facilities, followed by the achievement of the ISO 14000 Environmental Management System in 2005. These certifications attest to our unwavering commitment to quality and environmental stewardship.

1999 - 2010

Our pursuit of excellence was further acknowledged through a series of Special Export Awards conferred by CAPEXIL between 1999 and 2010, in recognition of our outstanding contributions to granite exports.

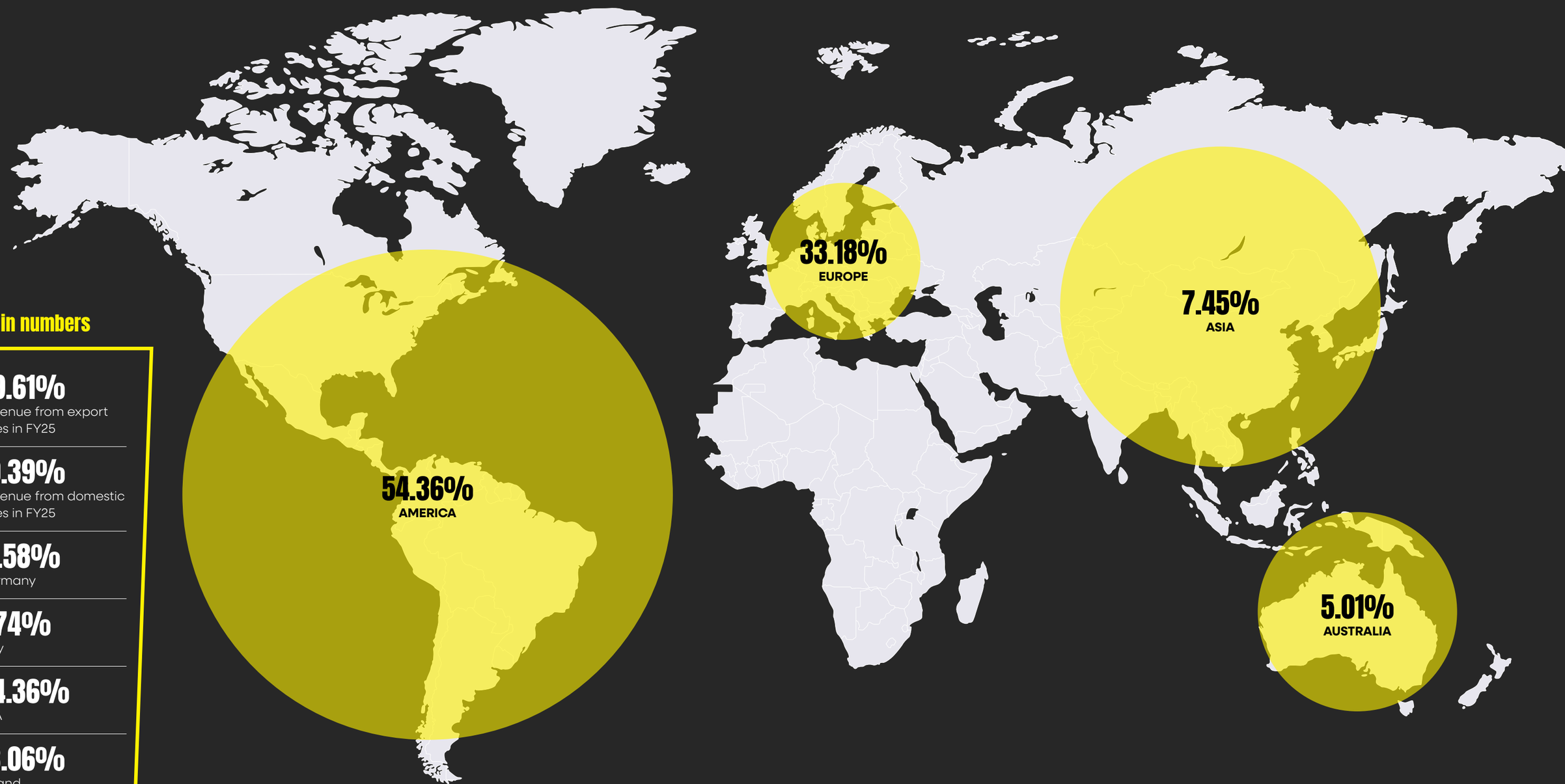
2013 - 2014

The period from 2013 to 2014 saw us obtain the esteemed ISO 14001:2004 certification for environmental management, OHSAS 18001:2007 for occupational health and safety, and the distinguished Star Export House certificate, underscoring our continued dedication to best practices and operational excellence.

GLOBAL PRESENCE

Reaching Clients Across Continents

Aro Granite Industries Limited has cultivated an impressive global footprint, supplying its premium granite and quartz products to more than 50 countries across the world. Our unwavering focus on quality, innovation, and customer satisfaction has fostered lasting partnerships with clients in a wide array of international markets. Through our ongoing expansion efforts, we remain committed to addressing the sophisticated requirements of our worldwide clientele while continually elevating standards within the natural stone sector.



Map not to scale only for illustration purpose

AGIL in numbers

89.61%
Revenue from export sales in FY25

10.39%
Revenue from domestic sales in FY25

11.58%
Germany

1.74%
Italy

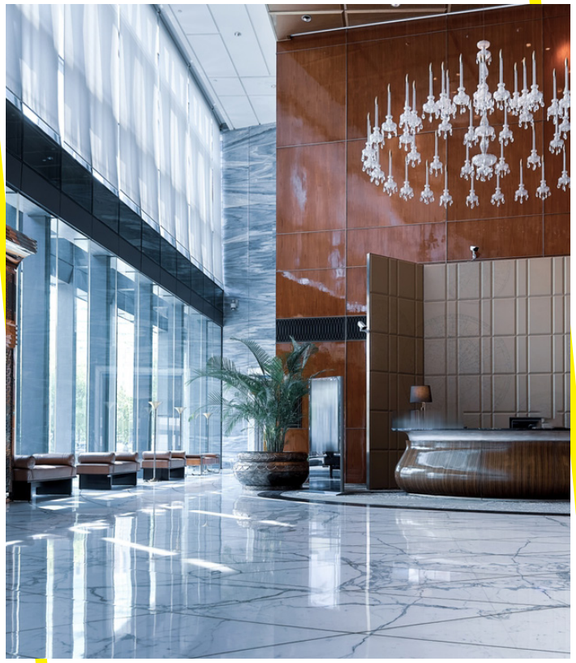
54.36%
USA

13.06%
Poland

PRODUCT PORTFOLIO

Defining Standards in Stone and Quartz

At Aro Granite Industries Limited, our focus on quality and innovation is evident in our comprehensive product range. We present an extensive selection of granite and quartz offerings designed to meet a variety of functional and aesthetic requirements, with each product crafted to the highest standards. Our collection enables the transformation of interiors and exteriors with sophistication, resilience, and enduring style, firmly establishing us as the supplier of choice for discerning global customers.



Quartz Stone

Our engineered quartz surfaces are produced by combining select natural quartz with advanced resins and additives, resulting in a robust and contemporary material. Their non-porous composition and outstanding resistance to stains, abrasion, and heat ensure exceptional utility and longevity in modern spaces. These surfaces offer a sleek, modern aesthetic while remaining easy to care for and maintain.

Applications

Interior Surfaces

Architectural Installations

Granite Slabs

Our granite slabs, celebrated for their refined appearance, are expertly manufactured to precise specifications. These versatile products suit a breadth of uses, including floors, wall panelling, countertops, and splashbacks. Though their size and weight necessitate careful handling and installation, their notable durability and elegance make them an ideal solution for a broad spectrum of design needs.

Applications

Construction

Home Renovation

Granite Tiles

Our granite tiles provide an economical alternative to slabs while retaining significant robustness and visual appeal. Each tile showcases natural variations, imparting unique charm in varied lighting environments. Lighter and simpler to install and transport, these tiles are especially suited for flooring and wall applications, making them a fitting solution for both domestic and commercial projects.

Applications

Construction

Home Renovation

MANUFACTURING FACILITIES

Strengthening Leadership with Advanced Facilities

At Aro Granite Industries Limited, our manufacturing facilities form the foundation of our dedication to quality, innovation, and operational efficiency. Strategically positioned in Hosur and Jaipur, these advanced plants embody our technical expertise and underpin our leadership in the industry. Each site is outfitted with modern technology and operated by highly skilled professionals, ensuring we continually deliver products of the highest calibre to our international clients.

Hosur Facility

Our Hosur facility exemplifies resilience and flexibility, particularly amidst broader sector challenges such as the closure of several granite quarries. Fitted with advanced machinery, this plant enables us to maintain our strict emphasis on fulfilling customer expectations. Its advantageous location grants direct access to South India's renowned quarries, celebrated for their array of premium granite varieties.

Key Offerings and Capacities

GRANITE SLABS
Production Capacity
(In Sq. Mt. PA)

5,85,000

GRANITE TILES
Production Capacity
(In Sq. Mt. PA)

3,60,000

QUARTZ STONE
Production Capacity
(In Sq. Mt. PA)

1,80,000

In recognition of the benefits of diversification, we commenced quartz stone production at our Hosur facility in 2021. This prudent expansion has continued to demonstrate steady growth, strengthening our product portfolio and reinforcing our competitive edge in the marketplace.

Both our Hosur and Jaipur plants are optimised for maximum production efficiency, upholding the most stringent quality standards. These manufacturing centres remain critical to our ability to supply superior granite and quartz products globally, reinforcing Aro Granite's position as a recognised leader in the sector.

Jaipur Facility

To address the raw material constraints impacting Hosur, we established a cutting-edge manufacturing base in Jaipur in 2019. This strategic move enables us to source granite from the abundant quarries of Rajasthan, offering a distinct market advantage. The Jaipur operation not only secures a reliable flow of high-quality raw material but also broadens our production capacity, supporting the increasing demands of both domestic and international markets.

Key Offerings and Capacities

GRANITE SLABS
Production Capacity
(In Sq. Mt. PA)

1,50,000

With an extensive selection of more than 100 distinguished granite shades and a continually evolving range of quartz products, our dedication to providing exceptional offerings remains unwavering. Our manufacturing infrastructure seamlessly integrates advanced technology with environmental stewardship, ensuring that we consistently achieve the highest benchmarks in both quality and sustainability.

STRATEGIC ADVANCEMENTS

Turning Strategy into Tangible Progress

In the ever-evolving landscape of the granite sector, Aro Granite Industries Limited has continually exhibited a remarkable capacity to adapt and excel, even when confronted by extraordinary challenges. Through our readiness to embrace transformation and respond proactively to shifts within the industry, we have consistently surmounted hurdles and established a solid foundation for enduring growth and continued success.

STRATEGIC ADVANCEMENTS

01	02	03	04	05
Product Diversification into Quartz	Strategic Expansion in Jaipur	Multi-Wire Technology Implementation	Value-Added Cut-to-Size Solutions	Shift to Stock and Sell Model

STRATEGY	IMPACT ON BUSINESS	IMPACT ON FINANCIALS
Shift to Stock and Sell Model We transitioned from a made-to-order approach to a stock and sell model, establishing an 11,000 Sq. Mt. warehouse to meet market demands efficiently.	• Mitigated revenue decline and potential business loss • Enhanced customer satisfaction through informed purchase decisions	• Increased working capital requirement to manage inventory levels • Incremental capital expenditure aligned with market realities
Value-Added Cutto-Size Solutions Invested in a dedicated cut-to-size unit at our Hosur facility, featuring advanced Intra CNC bridge sawing and polishing machines	Catered to niche customer requirements with tailored solutions, enhancing our market position	Achieved incremental margins and value generation, differentiating us from competitors focused solely on processing rough granite blocks
Multi-Wire Technology Implementation Installed a cuttingedge Multi Wire granite cutting machine at our Hosur facility to overcome raw material challenges and boost operational efficiency.	Expanded sourcing options, enabling the processing of imported rough blocks and materials from Rajasthan mines	Improved operational efficiencies leading to enhanced margins
Strategic Expansion in Jaipur Established a new granite slab manufacturing facility in Jaipur as part of our prudent CAPEX strategy.	• Mitigated raw material availability challenges • Expanded business horizonsand diversified operations	Achieved incremental margins and value generation, differentiating us from competitors focused solely on processing rough granite blocks
Product Diversification into Quartzr Established a new granite slab manufacturing facility in Jaipur as part of our prudent CAPEX strategy.	• Offered premium roducts to customers • Reduced dependency on natural quarries	• Increased operating revenue • Potential for higher margins compared to traditional granite business

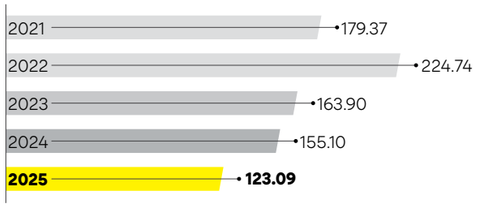
KEY PERFORMANCE INDICATORS

Measuring Resilience Through Adversity

FY25 has been a challenging period for Aro granite industries limited, marked by global economic uncertainties, supply chain disruptions, and geopolitical tensions. Despite these hurdles, we have remained steadfast in our commitment to excellence and resilience.

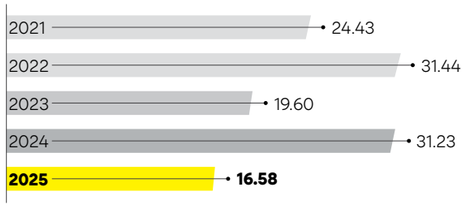
Revenue from Operations
(₹ in Crores)

123.09



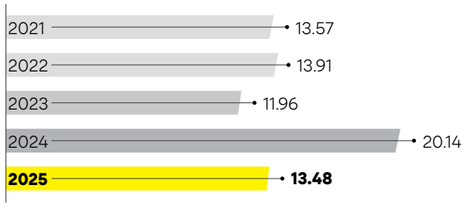
EBITDA
(₹ in Crores)

16.58



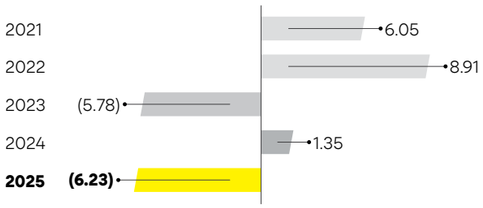
EBITDA Margin
(In %)

13.48



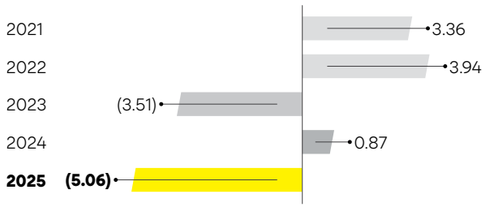
Profit After Tax
(₹ in Crores)

(6.23)



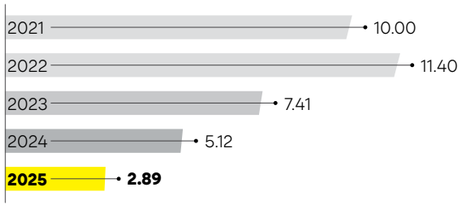
Profit after Tax Margin
(In %)

155.10



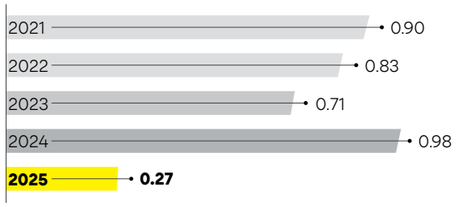
ROCE
(In %)

2.89



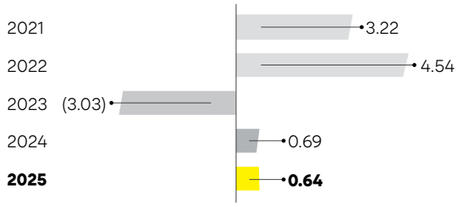
Debt to Equity
(In times)

0.27



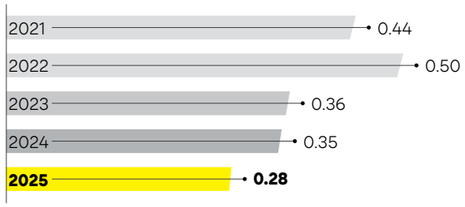
ROE
(In %)

0.64



Asset Turnover
(In times)

0.28



LETTER TO SHAREHOLDERS

Resolute in the Times of Uncertainty

Sunil Kumar Arora
MANAGING DIRECTOR

Sahil Arora
WHOLE TIME DIRECTOR

"
Dear Shareholders,

As we reflect upon FY25, we stand before you with a profound sense of resilience. This year has presented the global construction materials industry, and Aro Granite Industries Limited in particular, with extraordinary challenges that have tested our operational mettle and strategic resolve.

The Global Operating Environment

The past year has indeed been far from straightforward for Indian exporters of construction materials, including granite, ceramics, and stone products. Our industry found itself navigating through a labyrinthine web of interconnected global and domestic challenges that demanded exceptional adaptability and strategic acumen.

Global demand experienced a significant contraction, particularly in our primary markets of Europe and the United States. Construction activity decelerated markedly amid persistent recession fears and elevated interest rates throughout these regions. The situation was further exacerbated by China's ongoing real estate crisis, which led to an unprecedented flood of inexpensive construction materials entering global markets. This development drove down prices and compressed margins across the entire industry.

Logistical complexities added another substantial layer of difficulty to our operations. Whilst shipping costs had shown signs of normalisation following the COVID-19 era, new challenges emerged to complicate our supply chain management. Persistent container shortages and fuel price volatility collectively drove costs upward once again. The situation was particularly aggravated by the Red Sea crisis in early 2024, which disrupted major shipping lanes and forced vessels to reroute. The extended routing reduced global container shipping capacity and increased freight costs dramatically, with some routes experiencing price surges of nearly five-fold.

Currency fluctuations presented additional layers of uncertainty throughout the year. The rupee's volatility against the US dollar added complexity to every export contract and significantly affected our pricing strategies across all product categories. The liquidity crunch that affected global markets also impacted India's domestic construction sector significantly. Geopolitical developments further complicated the operating landscape in ways that extended well beyond regional conflicts. The most significant development occurred in January 2025 when President Donald Trump announced comprehensive reciprocal tariffs as part of his "Liberation Day" initiative. These measures imposed a 2 tariff on all imports from India, creating immediate uncertainty for exporters across multiple sectors. Many U.S. importers began scaling back shipments in anticipation of policy changes, particularly given the 55 to 75 day container transit times from Asia to U.S. ports that made timing predictions crucial for cost calculations.

Financial Performance Amidst Adversity

Against this backdrop of unprecedented challenges, our financial performance for FY25 demonstrates both the impact of external headwinds and our company's underlying resilience. We achieved total operating revenue of ₹123.09 Crores whilst reporting a net loss of ₹6.24 Crores. The revenue decline was primarily attributable to the confluence of factors outlined above. Reduced global demand, increased competition from subsidised Chinese materials, elevated shipping costs, and the impact of new U.S. tariffs during the latter part of the financial year all contributed to our performance challenges. However, our operational efficiency measures and cost management initiatives helped mitigate what could have been a more severe impact on our bottom line.

Emerging Signs of Recovery and Strategic Positioning

As we look toward FY26 and beyond, we observe several encouraging trends that support our confidence in a gradual but sustained recovery. Interest rate reductions in major markets are beginning to translate into renewed construction activity across multiple sectors. In the United States, the construction industry is already witnessing early signs of renewed project planning, with lower interest rates expected to incentivise homeowners to secure financing for renovation and new construction projects. European markets are similarly showing signs of improvement following the ECB's continued rate cuts.

Shipping cost normalisation is also becoming evident across major trade routes. The introduction of larger capacity vessels is helping to reduce container waiting times at transit ports and bringing shipping rates to a more sustainable range for most destinations. This improvement is particularly beneficial for our lower-priced stone products, where shipping costs had previously represented up to 30% of landed costs, making them uncompetitive in price-sensitive market segments. Importantly, in the quartz segment, India now enjoys a competitive advantage following the implementation of reciprocal duties. Our main competition from Vietnam, where many Chinese companies had established operations, now faces higher duties than Indian exporters when shipping to the U.S. market. This development provides us with improved positioning in this crucial product category and opens new opportunities for market share expansion.

Laying the Strategic Foundation in Challenging Times

Over recent years, we have made substantial investments in new capacities and strategic initiatives to establish a robust foundation for growth. However, each time we expected to realise the full benefit, unforeseen external shocks have set us back. The COVID-19 pandemic initially delayed our quartz plant's commissioning. As that hurdle was overcome, global shipping rates soared, eroding competitiveness. When logistical pressures began to subside, the imposition of Anti-Dumping Duties again constrained our ability to capitalise on new capacity. Most recently, high inflation, subdued demand in our principal export markets, and renewed elevations in shipping costs have weighed on performance, preventing our transition to a stock-and-hold model and expanded quartz production from achieving their true potential. Despite these persistent external challenges, the strategic groundwork we have laid positions us ideally for recovery. With market conditions now showing concrete signs of stabilisation, we remain confident that our efforts will deliver markedly improved results in the coming years.

Revenue
(₹ in Crores)

123.09

Looking Forward with Confidence

Looking ahead, we anticipate that our strategic initiatives will reflect positively on our financial performance from FY26 onwards. The continued easing of interest rates, normalisation of shipping costs, and a more favourable operating environment collectively offer a promising landscape for Aro Granite Industries Limited. We remain ready and eager to seize emerging opportunities, strengthen our market position, and pivot towards significant growth and sustained success.
The challenges of FY25 have reinforced our conviction that sustainable success requires not merely weathering storms, but emerging from them stronger and more strategically positioned than before.

We extend our heartfelt gratitude to our shareholders, employees, customers, and partners for their unwavering support and confidence during this challenging period. Your trust in our vision and capabilities has been a source of strength and motivation as we navigated these unprecedented headwinds. Together, we shall continue building a stronger, more resilient Aro Granite Industries Limited, fully prepared to capitalise on the opportunities that lie ahead and create enduring value for all our stakeholders.

Warm regards,

Sunil Kumar Arora
MANAGING DIRECTOR

Sahil Arora
WHOLE TIME DIRECTOR

Corporate Social Responsibility

Empowering Communities Through Purposeful Action

At Aro Granite Industries Limited, we hold the conviction that lasting success is measured by more than financial results; it includes the positive contributions we make to society. Corporate Social Responsibility (CSR) is not just an obligation, but a fundamental part of our guiding philosophy. Our purpose is to effect meaningful change, uplift lives, and instil hope within the communities we serve.

Highlights of Our Rural Health Centre

Central to our CSR agenda is an enduring focus on community health and well-being. In September 2017, we inaugurated a rural health centre adjacent to our Hosur facility, marking a pivotal achievement in our dedication to social betterment. This centre has emerged as a source of hope, delivering complimentary healthcare to residents from Hosur and its neighbouring villages.

This health centre demonstrates our devotion to making healthcare accessible, irrespective of socio-economic status. By delivering reliable medical services, our objective is to nurture a healthier, more resilient population. This initiative embodies our vision of an inclusive community where every person is empowered to live with dignity and well-being.

Our CSR strategy is anchored in the belief that we bear a core responsibility to empower and support the localities in which we operate. This steadfast commitment is central to our corporate character and values. We are determined to create a ripple effect of goodwill, leaving a tangible impact on the world around us.

Infrastructure:
The facility incorporates a patient waiting area, consulting suite, pharmacy, nursing post, and an observation room.

Technology:
It is equipped with computer systems, printers, and bespoke software for automating patient registration, clinical assessments, and medicine dispensation.

Professional Team:
The medical staff includes a doctor, two nurses, a pharmacist, and a housekeeper, enabling comprehensive patient care.

Community Reach:
Every day, an average of 50 to 60 individuals receive medical support, highlighting the centre's essential role.

Risks and Mitigation Strategies

Safeguarding Growth Through Strategic Risk Management

As we continue to operate in a rapidly shifting environment, our capacity to recognise and mitigate risks remains vital for sustained growth and the preservation of our competitive position. Whether facing challenges such as raw material constraints, evolving regulations, or currency volatility, each issue has prompted us to implement comprehensive strategies that foster resilience and adaptability throughout the organisation.

RISKS	UNCERTAINTIES	MITIGATION STRATEGIES
Raw Material Shortage	The Indian granite industry faces significant raw material shortages, particularly in South India where our Hosur plant is located. The closure of numerous granite quarries has led to a scarcity of raw materials, impacting the competitiveness of Indian exports and reducing the operational capacity of our Hosur plant.	• Established the Jaipur plant and began sourcing from new mines in regions like Rajasthan and Andhra Pradesh. • Initiated the import of raw blocks to improve the utilisation of the Hosur plant and maintain a steady supply of raw materials.
Regulatory Challenges	Unfavourable state government policies, especially in Tamil Nadu and Karnataka, have adversely affected the granite industry. Ambiguous policies regarding granite quarry leasing, allegations of illegal mining, and irregularities in the allotment process have led to the closure of several granite quarries, reducing the availability of raw granite blocks.	• Diversified sourcing locations to reduce dependency on specific regions. • Actively sourcing granite blocks from other geographic regions and considering the import of raw blocks to ensure a steady supply.
Currency Fluctuations	With the majority of the Company's revenue generated from exports, currency fluctuations pose a significant risk. Appreciation of the Indian Rupee relative to other currencies can impact competitiveness and demand for Indian exports.	• Implemented a diversified export strategy by exporting to over 50 countries, reducing the impact of adverse currency movements in specific markets. • Targeting the export of unique granite shades exclusive to India and expanding domestic ales to balance currency risks.
Change in Consumer Preferences	The stone industry is subject to dynamic shifts in consumer preferences for designs, colours, and shades. The growing demand for engineered stone has led to a decline in the popularity of natural stones, including granite.	• Established an engineered stone unit at our Hosur facility to cater to evolving consumer preferences and capitalise on the demand for engineered stone materials. • Adapting product offerings to maintain a competitive edge and mitigate risks associated with changing consumer preferences.
Supply Chain Disruptions	Global supply chain disruptions, exacerbated by geopolitical tensions and logistical challenges, can impact the timely delivery of raw materials and finished products.	• Strengthened supply chain resilience by diversifying suppliers and logistics partners. • Implemented advanced inventory management systems to ensure timely procurement and delivery.

MD&A

Management Discussion and Analysis

Global Economy

The global economy proved resilient, achieving growth of 3.2% as inflation in advanced economies fell to around 2%, in line with central bank targets. This price stability enabled the Federal Reserve and European Central Bank to adopt more accommodative monetary stances, underpinning positive market sentiment. Consumer spending reached $77.6 trillion, and global energy demand rose by 2.2%, largely due to robust activity among BRICS nations.

Despite broad-based growth, major hurdles emerged. Global debt soared to a record $318 trillion, pushing the debt-to-GDP ratio higher for the first time since 2020, driven by rising borrowing and softer growth. The U.S. labour market showed mixed trends, while China's trade surplus approached $1 trillion, further consolidating its industrial strength. Global trade patterns shifted, with digital services rising sharply amid challenges for traditional goods, shaped by ongoing geopolitical tensions and increasing protectionism. Meanwhile, the U.S. dollar depreciated by 4.2%, helping exports but making imports costlier, as de-dollarisation continued to reshape global strategy.

Looking forward, the outlook remains moderately optimistic. The IMF anticipates global growth of 3.3% in both 2025 and 2026, below the historical average. Inflation is projected to decline to 4.1% in 2025 and 3.5% in 2026, affording central banks greater policy flexibility. Nevertheless, ongoing geopolitical pressures, trade frictions, and uncertainty in manufacturing persist as key risks, underscoring the critical importance of informed, agile policymaking to secure lasting economic stability and growth.

Indian Economy

India's economy grew by 6.5% in FY25, moderating from 9.2% in the prior year as the nation recalibrated amidst global trade headwinds and subdued private investment. Despite these pressures, the economy demonstrated resilience, anchored by robust domestic consumption, improved agricultural output benefitting from favourable monsoons, and sustained vigour in the services sector. Headline inflation eased to its lowest level in five years, with the Consumer Price Index at 3.34% in March 2025 and food inflation subsiding to 2.69%. This stable inflationary landscape allowed the Reserve Bank of India to implement two consecutive repo rate reductions, lowering the benchmark rate to 6.0% to bolster growth while preserving macroeconomic stability.

While margin pressures and global trade challenges persisted, strong domestic demand, logistics upgrades, value-addition incentives, and government-led infrastructure initiatives underpinned notable gains, particularly within consumer-driven and light manufacturing sectors. The steady expansion in services and infrastructure was underlined by consistent demand and favourable pricing trends. Infrastructure investment and fiscal measures elevated business confidence, while the enduring strength of both rural and urban demand has provided momentum across sectors. Notably, Goods and Services Tax collections rose by 9.4% year-on-year to reach ₹22.08 lakh crore, signalling healthy consumption patterns and improved compliance, particularly in non-discretionary segments.

Looking ahead, the Reserve Bank of India has maintained its GDP growth projection at 6.5% for FY26, with early forecasts for FY27 suggesting an acceleration to 6.7%, buoyed by a potential global economic recovery, revitalised private investment, and continued progress in supply chain diversification. While external uncertainties remain, India's intrinsic strengths, including favourable demographics, increased formalisation, and ongoing policy reform are set to anchor a stable and balanced growth trajectory over the medium term.

Global Granite Industry and Key Trends

The global granite sector has witnessed notable expansion and evolution in recent years, propelled by robust demand for natural stone across diverse construction and decorative end-uses. As reported by Verified Market Reports, the worldwide granite market was valued at USD 100 billion in 2023 and is forecast to rise to USD 140 billion by 2030, representing a compound annual growth rate (CAGR) of 5% for the period 2024–2030.

Granite, a coarse-textured igneous rock composed chiefly of quartz, feldspar, and mica, is highly prized for its strength, visual appeal, and versatility. It remains a preferred material for applications such as countertops, flooring, memorials, and landscaping. The sector's positive trajectory is underpinned by growing preference for premium building materials within both residential and commercial segments, in addition to increasing appreciation of granite's distinctive aesthetic characteristics. This sustained growth reflects not only rising construction activity globally but also heightened awareness of granite's enduring quality and design possibilities, positioning the industry for strong performance over the medium term.

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Key Market Trends

Urbanisation and Infrastructure Growth

Rapid urbanisation and significant infrastructure development are driving demand within the global granite sector. Countries such as China and India are investing heavily in wide-ranging construction and urban projects. These developments are anticipated to substantially increase granite consumption. The World Bank's Global Economic Prospects report reiterates that such infrastructure investments are vital for economic progress and stimulate greater use of essential materials like granite.

Sustainability Initiatives

Environmental responsibility is increasingly influencing the granite sector. Both consumers and industry participants are placing greater emphasis on ethically sourced materials with a reduced environmental impact. The industry is responding by adopting sustainable quarrying practices and advancing recycling efforts. The prevalence of resin-based binders and less harmful adhesives is rising, clearly aligning the industry with broader global sustainability objectives and demonstrating a strong commitment to responsible production.

Digital Transformation

Digitalisation is reshaping the granite industry's operating environment. Technologies such as virtual reality and three-dimensional modelling are being deployed to preview and incorporate granite installations into building designs. Online platforms now facilitate direct engagement between buyers and suppliers, improving transparency and reducing dependency on intermediaries. Increased automation in both quarrying and processing is further enhancing efficiency and minimising material wastage across the supply chain.

Technological Advancements

Ongoing innovation continues to improve productivity and quality. The implementation of modern techniques, such as Multi-Wire technology and precision waterjet cutting, enables the industry to extract and process granite with heightened efficiency. These advancements are supporting the creation of more intricate, tailor-made products that respond directly to evolving architectural and consumer demands.

Customisation and Design Trends

A growing preference for bespoke granite solutions is evident among homeowners and designers alike. There is heightened interest in rare varieties such as Azul Bahia and Cambrian Blue, celebrated for their distinctive veining and vivid colours. Methods including bookmatching and advanced waterjet cutting are making it possible to produce unique statement pieces. This trend highlights a broader shift towards personalised, visually distinctive interiors and greater emphasis on design individuality.

Challenges And Opportunities

Despite maintaining an upward growth path, the granite industry contends with notable challenges, including persistent supply chain disruptions and heightened geopolitical tensions. The escalation of geopolitical conflicts has contributed to elevated shipping costs and longer delivery periods, thereby affecting international trade flows and logistics efficiency. These issues have exerted upward pressure on granite prices and disrupted product availability, compressing profit margins for enterprises in impacted markets.

Nevertheless, the industry's continued emphasis on sustainability and technological advancement offers substantial growth prospects. With consumer demand shifting towards environmentally responsible and bespoke offerings, the granite sector is increasingly poised to leverage these emerging opportunities. Ongoing investments in innovation and sustainable practices are set to reinforce industry resilience and strengthen global competitiveness.

Indian Granite Industry

The Indian granite industry enjoys a distinguished standing in the global marketplace, recognised for its extensive range of colours, superior textures, and consistently high-quality stones. As one of the world's leading producers and exporters, India makes a substantial contribution to global granite supply chains.

Key Trends

Diverse Granite Varieties

India is celebrated for its impressive spectrum of granite types, such as Black Galaxy, Kashmir White, and Absolute Black, which command strong demand in overseas markets. The country's considerable geological diversity enables the extraction of rare and distinctive granites, catering to varied aesthetic preferences and diverse functional applications on an international scale.

Technological Advancements

Ongoing advancements in quarrying and processing technology have significantly benefited the Indian granite sector by improving operational efficiency and product excellence. The implementation of methods such as diamond wire sawing and waterjet cutting has resulted in reduced material wastage and enhanced cutting precision. These technological strides have empowered the industry to address rising requirements for bespoke and elaborate granite designs from both domestic and global consumers.

Challenges

Despite its established strengths, the Indian granite industry continues to confront several challenges that could influence its future development. Foremost among these is the issue of raw material availability, exacerbated by periodic mining restrictions in key producing states.

Mining Bans

States across southern India, particularly Tamil Nadu and Karnataka, have experienced recurring mining bans driven by environmental and regulatory considerations. These restrictions have resulted in limited access to premium raw granite, disrupting supply chains and contributing to escalating production costs. Industry stakeholders continue to advocate for a balanced regulatory framework that upholds environmental protection while permitting the adoption of sustainable mining methodologies.

Regulatory Hurdles

The sector also faces complex regulatory requirements, including strict environmental standards and intricate approval processes. Such challenges frequently result in project delays and higher compliance expenditures. There are increasing calls from within the industry for regulatory streamlining, enabling efficient project execution while maintaining robust environmental safeguards.

Labour Issues

The industry's dependence on skilled labour for quarrying and processing presents an additional challenge, as worker migration to urban centres has led to a notable shortage of expertise. This shortfall poses risks to timely production and quality assurance, highlighting the necessity for continued investment in training and comprehensive skill development initiatives.

Opportunities

Despite ongoing challenges, the Indian granite industry is well-positioned to capitalise on various opportunities for growth and advancement.

Domestic Demand

The ongoing wave of urbanisation and significant infrastructure development projects within India are steadily elevating domestic consumption. Government initiatives focused on smart cities and modernising urban infrastructure are anticipated to further invigorate the construction sector, thereby increasing granite uptake in both residential and commercial projects across the country.

Sustainability Initiatives

There is an increasing focus on sustainable mining and heightened environmental stewardship within the sector. Many companies are prioritising green technologies and implementing practices aimed at reducing ecological impact. These measures are bolstering the industry's credibility while aligning Indian granite with prevailing global sustainability expectations, thereby appealing to environmentally conscious markets.

Value-Added Products

The sector is placing greater emphasis on the production of value-added offerings, including bespoke countertops, tiles, and decorative articles. This transition towards premium, higher-margin products enables the industry to meet evolving consumer preferences and substantially improve profitability, both domestically and in international markets.

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Global Quartz Industry

The global quartz industry has achieved robust growth in recent years, driven largely by its increased presence in both residential and commercial construction projects. According to Spherical Insights, the global quartz market was valued at USD 7.2 billion in 2023 and is projected to reach USD 12.2 billion by 2033. This projection reflects a compound annual growth rate of 5.42% from 2023 to 2033. The expansion of the sector is attributable to a rising preference for high-quality, durable construction materials, with demand from the United States remaining particularly influential due to widespread adoption in kitchen countertop applications.

Key Market Trends

Rising Demand in Construction and Infrastructure

Construction continues to serve as a primary engine for the global quartz market. Quartz is especially valued for its durability, visual appeal, and resistance to weathering, establishing its use in applications such as countertops, flooring, and decorative elements. The World Bank's Global Economic Prospects report highlights that continued urbanisation and infrastructure development, especially in the Asia-Pacific region, are prominent factors behind the growing need for advanced materials like quartz.

Technological Advancements

Recent technological progress in quartz extraction and processing has markedly improved both efficiency and the quality of finished products. The use of advanced techniques, including waterjet cutting and precision grinding, has enabled the industry to deliver more intricate and tailored designs that respond to shifting consumer preferences. These innovations have also led to a reduction in waste and have supported the move towards more sustainable production practices.

US Market for Kitchen Countertops

In the United States, quartz has become the leading material for kitchen countertops, surpassing both granite and other traditional stones. This preference is based on key material strengths such as non-porosity, high resistance to stains and scratches, and minimal maintenance requirements. Homeowners and designers increasingly favour quartz because it offers a wide diversity of colours and patterns that can replicate natural stone while delivering superior performance standards.

Challenges And Opportunities

Despite a positive growth outlook, the quartz industry faces challenges that include supply chain disruptions, geopolitical complexities, and environmental regulatory pressures, all of which may influence both supply and pricing. Nonetheless, surging global acceptance of quartz as a countertop material, together with substantial untapped market potential, offers considerable prospects for the sector's continued expansion and success.

Company Overview

Established in 1989, Aro Granite Industries Limited is India's foremost processor and exporter of premium granite products. With advanced manufacturing facilities in Hosur and Jaipur, the company transforms raw granite into high-quality finished products, consistently setting industry benchmarks. The addition of quartz stone manufacturing at the Hosur facility in 2020 has further broadened its product portfolio. Operating as a 100% Export Oriented Unit and a Special Economic Zone unit, Aro Granite maintains an annual production capacity of one million square metres.

Financial Performance Review

FY25 presented a fiercely challenging operating environment for Aro Granite Industries Limited, shaped by a convergence of global and domestic pressures. Demand for construction materials contracted sharply in core export markets such as Europe and the United States as recessionary headwinds, high interest rates, and persistent geopolitical uncertainties weighed heavily on construction activity. Compounding these challenges, a surge of competitively priced Chinese construction materials, amid their prolonged real estate crisis, intensified market competition and compressed industry margins. Simultaneously, logistical disruptions, notably the Red Sea crisis and volatile shipping rates, eroded cost competitiveness and added further complexity to global supply chains.

Despite these headwinds, the company's operational resilience was evident. Aro Granite reported total operating revenue of ₹123.09 Crores and contained net losses to ₹6.24 Crores. The ability to adapt pricing strategies amid volatile currency movements and shifting global liquidity demonstrated strong management acumen, even as new U.S. tariffs and container shortages pressured export margins.

Outlook

Looking to FY26 and beyond, the operating landscape shows tangible signs of improvement. Interest rate reductions in major economies are revitalising construction activity and supporting renewed demand for stone products, while stabilising shipping rates are restoring cost competitiveness, particularly for lower-priced product lines. The evolving trade regime in the United States has also provided India with a comparative advantage in quartz exports, unlocking new avenues for growth. With earlier investments in capacity, plant modernisation, and a transition towards value-added offerings, Aro Granite is well positioned to leverage the market recovery.

The company remains committed to agile, strategic decision-making and prudent risk management as key pillars of its outlook. With markets stabilising and growth drivers re-emerging, Aro Granite Industries Limited is poised to return to a trajectory of sustainable progress

Particulars	Hosur Tiles	Hosur Slabs	Jaipur Slabs	Hosur Quartz
Sales (In Sq. Mt.)	95078.81	124659.11	81968.41	119372.77
Production (In Sq. Mt.)	95923.69	117072.49	86938.75	114744.33
Capacity Utilisation	26.65%	18.29%	57.96%	63.75%

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Key Financial Ratios

Particulars	FY25	FY24
Current Ratio	1.46	1.54
Debt Equity Ratio	0.86	0.98
Debt Service Coverage Ratio	0.10	1.21
Return on Equity Shares	(0.03)	0.01
Inventory Turnover Ratio	0.78	1.00
Trade Recievables Turnover Ratio	2.92	2.79
Trade Payables Turnover Ratio	1.49	2.29
Net Capital Turnover Ratio	1.30	1.53
Net Profit Ratio	(0.05)	0.01
Return on Capital Employed	0.02	0.05

Cautionary Statement
Statements presented in the Management Discussion and Analysis section detailing the Company's aims, forecasts, expectations, and anticipated results, whether pertaining to the Company or any of its subsidiaries or associates, may represent 'forward-looking statements' within the meaning of relevant legislation and regulations. Actual outcomes may materially diverge from these assertions. Contributing factors influencing performance may include economic forces impacting demand and supply, pricing dynamics in domestic and overseas markets, changes to governmental regulations or tax frameworks, as well as various incidental factors.

Human Resources

At Aro Granite Industries Limited, our workforce remains at the very core of our operations. Operating within a sector that values both efficiency and continual innovation, AGIL recognises the importance of sustaining a highly skilled and dedicated team, integral to driving the Company's progress. Our people not only contribute to process and management excellence but also encourage intellectual enrichment across the organisation.

As we embark upon a new fiscal year, our commitment to developing human capital and attracting top-tier talent endures. We are steadfast in our effort to provide a healthy, positive work environment that fosters individual growth and skill advancement. In this vein, we routinely organise targeted training programmes to strengthen workforce capabilities.

Empowered by a committed and engaged team, we are confident in our readiness to create value for all stakeholders and embrace the forthcoming opportunities. As at 31st March 2025, the Company proudly employs over 229 individuals.

Internal Control Systems and Their Adequacies

Our prudent and vigilant leadership ensures that the Company's Internal Control System is sufficiently robust to satisfy operational imperatives. The management retains prime responsibility for the safeguarding of assets and the integrity and accuracy of financial records. The Internal Control System assures that all transactions are duly authorised, documented, and reported, with ongoing efforts towards system enhancement. Regular measures are undertaken to secure company assets and prevent unauthorised usage. In addition, the Audit Committee meticulously reviews all financial statements, ensuring internal controls remain adequate. A comprehensive CCTV surveillance system is in place, overseeing the factory premises to protect materials and ensure safety. All controls are continuously assessed by management, with improvements instituted as necessary to uphold effectiveness.

Corporate Information

SUNIL KUMAR ARORA
Managing Director

KESHAVA MURTHY KALASACHAR
Independent Director

SUJATA ARORA
Director

ASHISH JYOTINDRA BHUTA
Independent Director

SAHIL ARORA
Whole-Time Director

SUNDARESHWARA G. SASTRY
Independent Director

REGISTERED OFFICE
1001, 10th Floor, DLF Tower 'A', Jasola,
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Phone: 91-11-41686169
Fax: 91-11-26941984
E-mail: investorgrievance@arotile.com
Website: www.arotile.com
CIN: L74899DL1988PLC031510

CORPORATE OFFICE & WORKS
Koneripalli Village, Via: Shoolagiri, Taluk: Hosur,
Dist. Krishnagiri, Tamil Nadu 635117, India
Tel: 91-4344 252100
Fax: 91-4344 252217

COMPANY SECRETARY
Ayush Goel

CHIEF FINANCIAL OFFICER
C. Srinivasan

STATUTORY AUDITORS
M/s Alok Mittal & Associates, New Delhi

INTERNAL AUDITORS
M/s Sreekantha & Co., Hosur, Tamil Nadu

SECRETARIAL AUDITOR
Ms. Latika Jetley, New Delhi

BANKERS
Bank of Baroda
HDFC Bank Limited

REGISTRAR & SHARE TRANSFER AGENT
M/s Alankit Assigments Ltd
Alankit Heights, 4E/2, Jhandewalan Extension
New Delhi 110 055

SCRIP CODES
BSE Limited: 513729
NSE Limited: AROGRANITE/EQ
ISIN No.: INE210C01013

Notice

NOTICE is hereby given that the 37th Annual General Meeting of the Members of **ARO GRANITE INDUSTRIES LIMITED** will be held on Friday, the 12th September 2025 at 12:30 P.M. (IST) through Video Conferencing (VC)/Other Audio-Visual Means (OAVM), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Accounts for the financial year ended 31st March 2025 and the Reports of the Directors and Auditors thereon.

2. To appoint a director in place of Mrs. Sujata Arora (DIN: 00112866), who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

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

   "**RESOLVED THAT** pursuant to regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and subject to the approval of the shareholders at the ensuing Annual General Meeting, the consent of the Board of Directors be and is hereby accorded to appoint M/s. S Panigrahi & Associates, Practicing Company Secretaries, New Delhi, as the Secretarial Auditor of the Company for a continuous term of five (5) years, commencing from April 1, 2025, until March 31, 2030, to conduct Secretarial Audit of the Company and to furnish the Secretarial Audit Report.

   RESOLVED FURTHER THAT the remuneration payable to M/s. S Panigrahi & Associates, Practicing Company Secretaries, for conducting the Secretarial Audit of the Company for the said term shall be such as may be determined by the Board from time to time.

   RESOLVED FURTHER THAT the Managing Director and/or Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters, and things as may be necessary, desirable or expedient to give effect to this resolution, including filing of necessary forms with the Registrar of Companies and other regulatory authorities."

For & on behalf of the Board

(Sunil Kumar Arora)
Managing Director
DIN:00150668

Place: Hosur
Date: 01 August 2025

Notes:

1. Statement pursuant to Section 102(1) of the Companies Act, 2013 ("Act"), in respect of the Special Business to be transacted at the Annual General Meeting ("AGM") is annexed hereto.

2. Pursuant to the General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 ", General Circular Nos. 20/2020 dated May 5, 2020, 10/2022 dated December 28, 2022, 09/2023 dated September 25, 2023 and subsequent circulars issued in this regard, the latest being 09/2024 dated September 19, 2024 in relation to "Clarification on holding of Annual General Meeting ('AGM') through Video Conferencing (VC) or Other Audio Visual Means (OAVM)", (collectively referred to as "MCA Circulars") the Company is convening the 37th AGM through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM'), without the physical presence of the Members. Further, Securities and Exchange Board of India ('SEBI'), vide its circulars dated May 12, 2020, January 15, 2021, May 13, 2022, January 5, 2023, October 7, 2023 and latest being SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 ('SEBI Circulars') and other applicable circulars issued in this regard, has provided relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'). In compliance with the provisions of the Companies Act, 2013 ('the Act'), the Listing Regulations and MCA Circulars, the 37th AGM of the Company is being held through VC/OAVM on Friday, September 12, 2025 at 12:30 p.m. IST. The deemed venue for the AGM will be the Registered Office of the Company i.e. 1001, 10th Floor, DLF Tower 'A', Jasola, New Delhi-110025.

3. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC OR OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULARS, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.**

4. Corporate Members are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization, etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-Voting to M/s. Alankit Assignments Limited, the Registrar and Transfer Agent of the Company, by e-mail through its registered e-mail address ramap@alankit.com.

5. In line with the MCA Circulars and the SEBI Circulars, Notice of the AGM along with the Annual Report 2024- 25 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company or CDSL/NSDL ("Depositories")/RTA. Members may note that the Notice and Annual Report 2024-25 are also available on the Company's website viz www.arotile.com websites of the Stock Exchanges i.e., BSE Limited and NSE Limited at www. bseindia.com and www.nseindia.com respectively.

6. Members whose e-mail address are not registered can register the same in the following manner:

   a. Members holding share(s) in physical mode can send their e-mail ID to the Company at investorgrievance@arotile.com or to the Registrar and Transfer Agent (RTA) of the Company M/s. Alankit Assignments limited at ramap@alankit.com.

   b. Members holding share(s) in electronic mode are requested to register/update their e-mail address with their respective Depository Participants ("DPs") for receiving all communications from the Company electronically.

7. Electronic copies of all the documents referred to in the accompanying Notice of the AGM and the Explanatory Statement shall be made available for inspection. During the 37th AGM, Members may access the scanned copy of the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act; the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act. Members desiring inspection of statutory registers and other relevant documents may send their request in writing to the Company at investorgrievance@arotile.com.

8. The Company has engaged the services of M/s. CDSL as the authorised agency for conducting the e-AGM and providing e-Voting facility.

9. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company as on the cutoff date will be entitled to vote at the AGM.

10. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

11. As mandated by SEBI, effective from 1st April 2019, that securities of listed Companies shall be transferred only in dematerialised form. In view of the above and to avail various benefits of dematerialisation, Members are advised to dematerialise share(s) held by them in physical form.

12. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their Demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified time to time.

13. Non-Resident Indian Members are requested to inform the Company's RTA immediately of:

    a. Change in their residential status on return to India for permanent settlement.

    b. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

14. SEBI vide its notification dated January 24, 2022 has amended Regulation 40 of the SEBI Listing Regulation and has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or the Company's RTA, for assistance in this regard.

15. **SEBI HAS MANDATED SUBMISSION OF PAN BY EVERY PARTICIPANT IN THE SECURITIES MARKET. MEMBERS HOLDING SHARES IN ELECTRONIC FORM ARE, THEREFORE, REQUESTED TO SUBMIT THEIR PAN DETAILS TO THEIR DEPOSITORY PARTICIPANTS. MEMBERS HOLDING SHARES IN PHYSICAL FORM ARE REQUESTED TO SUBMIT THEIR PAN DETAILS TO THE COMPANY'S RTA.**

16. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company's RTA, the details of such folios together with the share certificates along with the requisite KYC documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.

17. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years of the Company, are liable to be transferred to the Investor Education and Protection Fund ('IEPF'). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.

18. The Members whose unclaimed dividends and/or shares have been transferred to IEPF, may contact the Company or RTA and submit the required documents for issue of Entitlement Letter. The Members can attach the Entitlement Letter and other required documents and file the Form IEPF-5 form for claiming the dividend and/or shares via www.iepf.gov.in

19. **Instructions for attending the e-AGM and e-Voting are as follows:**

    Instructions for attending the e-AGM:

    1. Ministry of Corporate Affairs (MCA) vides various Circular issued since April 2020 including the General Circular No. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 ", General Circular Nos. 20/2020 dated May 5, 2020, 10/2022 dated December 28, 2022, 09/2023 dated September 25, 2023 and subsequent circulars issued in this regard, the latest being 09/2024 dated September 19, 2024 and Securities and Exchange Board of India ('SEBI'), vide its circulars dated May 12, 2020, January 15, 2021, May 13, 2022, January 5, 2023, October 7, 2023 and latest being SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 ('SEBI Circulars') and other applicable circulars issued in this regard, has provided relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') permitted the Companies to hold their AGM through VC/OAVM by 30th September 2025, the 37th AGM of the Company is being held through VC/OAVM on Friday, September 12, 2025 at 12:30 p.m. IST Members can attend and participate in the ensuing AGM through VC/OAVM.

    2. 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 MCA Circulars (as amended) 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 Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

3. The Members can join the AGM in the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.

4. Members attending the AGM through VC/ OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

5. In terms of MCA Circulars the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-Voting.

6. In compliance with the Ministry of Corporate Affairs (MCA) Circulars the Notice calling the AGM has been uploaded on the website of the Company at www.arotile.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e., BSE Limited and NSE Limited at www.bseindia. com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-Voting system during the AGM) i.e. www. evotingindia.com.

7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 ", General Circular Nos. 20/2020 dated May 5, 2020, 10/2022 dated December 28, 2022, 09/2023 dated September 25, 2023 and subsequent circulars issued in this regard, the latest being 09/2024 dated September 19, 2024 and Securities and Exchange Board of India ('SEBI'), vide its circulars dated May 12, 2020, January 15, 2021, May 13, 2022, January 5, 2023, October 7, 2023 and latest being SEBI/HO/CFD/ CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024

INTRUCTIONS TO SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

(i) The voting period begins on 09th September, 2025 at 10.00 A.M. and ends on 11th September, 2025 at 5.00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 05th September, 2025 may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting thereafter.

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

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

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

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL Depository**	1) Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi/Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon & My Easi New (Token) Tab. 2) After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at cdsl website www.cdslindia.com and click on login & My Easi New (Token) Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL Depository**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:** (Contd.)

Type of shareholders	Login Method
	4) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on **company name or e-Voting service provider name** and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants (DP)**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at: 022 - 4886 7000 and 022 - 2499 7000

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form**.

1) The shareholders should log on to the e-voting website www.evotingindia.com.

2) Click on "Shareholders" module.

3) Now enter your User ID

   a. For CDSL: 16 digits beneficiary ID,

   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

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

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (3).

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVSN of **Aro granite industries limited**.

(x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) There is also an optional provision to upload BR/ POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only**.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investorgrievance@arotile.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

(xviii) Any person who acquires shares of the Company and become a Member of the Company after dispatch of the Notice and holding shares as on the **cut-off date i.e., 05th September, 2025** may follow the same instructions as mentioned above for e-Voting.

(xix) The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e., 05th September, 2025.

(xx) Mr. Sabyasachi Panigrahi (F4522), signing partner of M/s S Panigrahi & Associates, Practising Company Secretaries, Noida, (U.P.) (C.P. No. 27507) & Firm Registration No. S2024UP991300, who are not in employment of the Company, has been appointed as the scrutinizer, for conducting the e-voting process of the AGM in a fair & transparent manner.

(xxi) The Scrutinizer shall, immediately after the conclusion of voting at the e-AGM, count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-Voting in the presence of at least two witnesses not in the employment of the Company and make, not later than two days of conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.

(xxii) The Result shall be declared after the e-AGM of the Company. The result declared along with the Consolidated Scrutinizer's Report shall be placed on the Company's website www.arotile.com and on the website of CDSL immediately.

(xxiii) The Share Transfer Books and Register of Members of the Company shall remain closed from 06th September, 2025 to 12th September, 2025 (Both days inclusive).

(xxiv) Members who have not registered their e-mail address so far requested to register their e-mail address for receiving all communications including Annual Report, Notices, Circulars etc. from the Company electronically.

(xxv) As per Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 brief resume of Mrs. Sujata Arora (DIN: 00112866), whose appointment as Director liable to retire by rotation (proposed at Item No. 2) is given hereunder:

Mrs. Sujata Arora is a graduate from Institute of Home Economics, Delhi. She has travelled extensively and has vast knowledge of the product and marketing as well. She does not hold any other Directorship. She holds 601372 (3.93%) Equity Shares in the Company.

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

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops/IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **72 hours prior to meeting mentioning** their name, demat account number/folio number, email id, mobile number at investorgrievance@arotile.com. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

1) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.

2) For Demat shareholders -, Please update your email id & mobile no. with your respective **Depository Participant (DP).**

3) **For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository**.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 09911.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('Act'), given hereunder sets out all material facts relating to the special business mentioned in Item Nos. 3 of the accompanying Notice dated 01st August, 2025.

Item No. 3

In accordance with the provisions of Section 204 and other applicable provisions of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) ('the Act'), every listed company and certain other prescribed categories of companies are required to annex a Secretarial Audit Report, issued by a Practicing Company Secretary, to their Board's report, prepared under Section 134(3) of the Act.

Furthermore, pursuant to recent amendments to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), every listed entity and its material Subsidiaries in India are required to conduct Secretarial Audit and annex the Secretarial Audit Report to its annual report. Additionally, a listed entity must appoint a Secretarial Audit firm for a maximum of two terms of five consecutive years, with shareholders approval to be obtained at the Annual General Meeting.

Accordingly, based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on May 16, 2025, has approved the appointment of M/s S Panigrahi & Associates, Company Secretaries, (Firm Registration No. S2024UP991300) as the Secretarial Auditors of the Company for a period of five (5) consecutive years, commencing from April 1, 2025 to March 31, 2030 subject to approval of the Members at the Annual General Meeting.

Furthermore, in terms of the amended regulations, M/s S Panigrahi & Associates has provided a confirmation that they have subjected themselves to the peer review process of the Institute of Company Secretaries of India and hold a valid peer review certificate. M/s S Panigrahi & Associates has confirmed that they are not disqualified from being appointed as Secretarial Auditors and that they have no conflict of interest. M/s S Panigrahi & Associates has further furnished a declaration that they have not taken up any prohibited non secretarial audit assignments for the Company.

The terms and conditions of the appointment of M/s S Panigrahi & Associates include a tenure of five (5) consecutive years, commencing from April 1, 2025 upto March 31, 2030 at a remuneration as may be mutually agreed between the Board and the Secretarial Auditors for subsequent years.

Additional fees for statutory certifications and other professional services will be determined separately by the management, in consultation with M/s S Panigrahi & Associates, and will be subject to approval by the Board of Directors and/or the Audit Committee.

M/s S Panigrahi & Associates has provided its consent to act as the Secretarial Auditors of the Company and has confirmed that the proposed appointment, if made, will be in compliance with the provisions of the Act and the SEBI Listing Regulations. Accordingly, approval of the shareholders is sought for appointment of M/s S Panigrahi & Associates as the Secretarial Auditors of the Company.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the accompanying Notice for approval by the Members.

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

FOR THE ATTENTION OF THE SHAREHOLDERS

1) Shareholders having multiple folios are requested to write to the Company for consolidation of the Folios to save the administrative or servicing costs.

2) Requests for transfer of Shares and related correspondence should be addressed to the Company's **Registrar & Share Transfer Agent M/s Alankit Assignments Limited, Alankit House, 4E/2, Jhandewalan Extension, New Delhi 110055**. The shareholder may approach their Depository Participant for getting their shares dematerialised and in respect of the shares already held in dematerialised mode for registration of change in their addresses, bank mandates and nominations etc. For any further clarifications and other matters kindly write to the **Company Secretary at 1001, 10th Floor, DLF Tower A, Jasola, New Delhi 110025 or** e-mail: investorgrievance@arotile.com. Please quote your folio no/DP ID/Client ID and number of shares for prompt attention.

3) Transfer of Unclaimed Dividend to Investor Education and Protection Fund: Pursuant to Section 125 of the Companies Act 2013, the unclaimed dividend for financial years has already been transferred to the Investor Education and Protection Fund. Therefore, those shareholders who have not yet encashed the dividend warrants may write to the Company for revalidation/issue of fresh dividend warrants quoting their folio no/DP ID/Client ID.

4) Nomination: Pursuant to Section 72 of the Companies Act, 2013 individual Shareholders holding shares in the Company singly or jointly may nominate an individual to whom all the rights in the shares in the Company shall vest in the event of death of the sole/all joint Shareholders. Members are requested to submit the details to their Depository Participants in case the shares are held by them in electronic form and to the Company's Registrar and transfer Agent (RTA) in case the shares are held by them in physical form, quoting their folio Number.

5) Dematerialisation of Shares and Liquidity: As per Regulation 40 of SEBI Listing Regulations, as amended, transfer of Securities would be carried out in dematerialized form only with effect from 1st April, 2019, except in case of transmission or transposition of securities. However, Members can continue to hold shares in physical form. In view of the same and to eliminate all risks associated with physical shares and ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's RTA assistance in this regard. Company's ISIN No. is INE210C01013.

6) The Securities and Exchange Board of India (SEBI) has mandated the submission of permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.

GREEN INITIATIVE IN CORPORATE GOVERNANCE: REGISTER E-MAIL ADDRESS

The Ministry of Corporate Affairs has now permitted Companies to send various notices/documents under the Companies Act, 2013 to its shareholders, through electronic mode. We request the Members to support this initiative and register their e-mail addresses in respect of shares held in: (1) dematerialized mode, with their Depository Participants; and (2) physical mode with Alankit Assignments Ltd. (RTA). Please quote the following particulars in the e-mail Registration Request: Folio No./DPID-Client ID, PAN, Names (s) of Registered Holder(s), Address, Telephone and e-mail Address (to be registered for sending future communications through e-mail) and send the same under your signature(s).

Directors' Report

The Directors have pleasure in presenting the 37th Annual Report together with Audited Accounts of the Company for the year ended on 31st March 2025.

FINANCIAL RESULTS

(₹ in Lakhs)

Particulars	31.03.2025	31.03.2024
Gross Profit before Depreciation	**308.95**	**1512.53**
Depreciation	994.12	1172.29
Profit before Tax	(685.17)	340.24
Provision for Tax	-	-
Current	-	56.80
– MAT Credit	-	(56.80)
– Deferred	(42.89)	208.84
Surplus available for appropriation	(642.28)	131.40
Dividend (including Dividend Tax)	-	-
Amount transferred to General Reserve	-	-
Surplus carried to Balance Sheet	(642.28)	131.40

WORKING RESULTS

This past year has been far from easy. Indian exporters of Construction Material products like tiles, cement, granite, steel, and ceramics found themselves navigating through a complex web of global and domestic hurdles.

To begin with, **global demand took a significant hit**. Our major markets in Europe and the United States saw slowing construction activity amid recession fears and high interest rates. To make things worse, China's ongoing real estate crisis led to a flood of cheap materials in the global market, driving down prices and squeezing our margins. At the same time, **logistics and currency fluctuations** didn't do us any favors. While shipping costs had normalized somewhat since the COVID era, challenges like container shortages and fuel price volatility pushed costs up again. On top of that, the rupee's volatility against the US dollar added a layer of uncertainty to every export contract.

The **geopolitical landscape** only added to the pressure. The Red Sea crisis in early 2024 disrupted major shipping lanes, causing delays and rerouting headaches, particularly for exports heading toward Europe and North America.

The Liquidity crunch worldwide also impacted India with the Indian Domestic Market. India also saw a huge drop in Requirements of Granite and Quartzite as Cheap Ceramics were dumped more into the domestic market as budgets of many builders and home owners were strained.

1. High Inflation and Interest rates

In Q1 Though Shipping rates were lower than previous years, the high rates of Inflation and subsequently the interest rates to control inflation saw a sluggish Real estate and Renovation Market in USA and Western Europe.

Historical U.S. Federal Reserve interest rate movements for 2024:

Date	Action	Federal Funds Target Rate	Key Notes
Early 2024	Rate holding at peak levels	5.25% - 5.5%	Rates remained high to combat inflation from prior years.
September 2024	50 bps rate cut	4.75% - 5.0%	Major cut aimed at supporting economic growth amid cooling inflation and moderate recession fears
November 2024	25 bps rate cut	4.5% - 4.75%	Expected to signal cautious easing with potential for future cuts into 2025
December 2024	25 bps rate cut	4.25% - 4.5%	Predicted end-of-year target range, part of ongoing adjustments

With the US has not had a rate cut in the previous couple of years. With 2 rate cuts already done in Q3 the consumption levels are expected to go up. Real estate markets have been tricky as the demand for houses is growing, but due to high costs of Lumber & Steel and other construction materials from 2022 (caused by the shipping rates) the number of new house developments have reduced.

Now with the interest rates going down we see that new projects and developments are already in early planning phases and customers expect increase in demand accordingly. Though interest rates are not expected to go back to pre-covid levels the lowering of interest rates will push home owners to take up those loans and then refinance when rates eventually go down further.

European Central Bank's (ECB) key interest rate movements for 2024:

Date	Action	Refinancing Rate	Facility Rate	Key Notes
Early 2024	Rates held steady	4.25%	3.75%	Rates held high due to ongoing inflation concerns.
June 2024	25 bps rate cut	4.00%	3.50%	First rate cut as inflation moderated.
October 2024	35 bps rate cut	3.65%	3.25%	Adjustments continued with inflation cooling further.
December 2024	25 bps rate cut	3.40%	3.00%	Expected end-of-year rate reduction as inflation slows further.

With inflation slowing down further the ECB is moving towards lowering Interest rates to promote consumption. Further with the war in Ukraine causing energy crisis in the previous years the EU has taken measures to alleviate these concerns. This has further helped with the inflation slow down.

2. High Shipping Prices and longer sailing dates

Here's a summary of shipping rates from India over the last 3 QUARTERS:

Quarter (Financial Year)	Average Shipping Rate (40ft Container)	Key Trends & Observations
Q 1	~ $2,800	Prices saw a quarter-on-quarter increased due to rising demand.
Q 2	~ $5,000 (Aug peak)	Sharp 70% YoY increase, driven by supply chain disruptions.
Q 3	~ $2,000	Rates dropped significantly after August highs

Due to the ongoing Red Sea Crisis many ships have started to take routes around Africa instead of taking the shorter Suez Canal. This has resulted in the container ships requiring more time to reach destinations (sailing time increased to as much as 3x of normal shipping durations). The durations mostly increased due to container vessels stopping over at transshipment ports.

The correction in shipping rates has started as many large mother vessels with capacity of 20,000 TEU (20' Equivalent units) have been introduced into operations. These Vessels with larger capacities will reduce the time that containers are waiting in Transit ports and in some cases eliminate the need for the transit port stopovers.

With rates expected to be between the USD 1,500 to 2,750 range for mist destinations, sales are expected to pick up of lower priced good. In the previous quarters more budget stones priced around USD 32 to 45 per m2 saw mooted demands as the container value of these is between USD 9000 to USD 12000 per container, With shipping rates of around USD 5,500 (total landed cost of USD 16000) meant that the cost of transport on the landed cost was around 30%. With those rates expected to go down to 20% demand for these lower priced stones will increase.

3. Delayed Payments due to longer Shipping times

Due to the longer shipping times, the payments from customers has gotten extended and which has resulted in lower volumes. With the new vessels coming into operations, shipping times are expected to reduce which help with the payment terms. Further with lower shipping costs the purchase budgets for the materials/ products will increase over the next couple of months.

However 2025 looks to be quite promising as MANY major challenges as mentioned above are already seeing corrective measure and we expect further corrections in 2025.

Recently with the Donald Trump being sworn into office in mid-January, many importers grew cautious about the potential policy shifts under the new administration, particularly within the critical first 100 days. During his inauguration speech on **January 20, 2025**, Trump referred to the day as "**Liberation Day**", signaling a bold shift in economic policy. Anticipating that new import duties could take effect immediately, many U.S. importers began to scale back shipments, particularly from countries like India. Given that container transit times from Asia to U.S. ports average between **55 to 75 days**, importers chose to delay or hold certain shipments. As Trump followed through on his rhetoric—imposing tariffs even on close allies like **Canada and Mexico**—concerns intensified, leading to further hesitation across the import sector.

In quartz segment the main completion for India was from Vietnam where many Chinese companies had set up units. Now with the reciprocal duties coming in India has a good opportunity to export to USA as the duties on India are less than that of other quartz producing countries.

In summary, FY 2024–25 tested the resilience of Indian construction material exporters on multiple fronts -economic, geopolitical, operational, and regulatory.

But with every challenge comes the opportunity to adapt — to diversify markets, invest in value-added products, improve compliance, and embrace sustainability.

As we step into the next financial year, the road ahead is still uncertain, but Indian exporters have shown time and again that they can weather storms and come back stronger.

DIVIDEND

Your directors have not recommended any dividend for the year 2024-25.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

During the year an amount of ₹ 3,98,217/- for the Financial Year 2016-17 transferred to Investor Protection Fund under sub-section (2) of section 125 of the Companies Act 2013 and IEPF (Accounting, Audit, Transfer and Refund) Rules 2016. Mr. Ayush Goel, Company Secretary is the Nodal Officer appointed by the Company under the Provisions of the IEPF Act.

FIXED DEPOSIT

The Company has not accepted any fixed deposit from the public.

ANNUAL RETURN

The Annual Return referred to Section 134(3)(a) as per the Companies Act 2013 is available on the website of the Company www.arotile.com

LOANS, GUARANTEES AND INVESTMENTS

The Company has not granted any Loans, Guarantees and made any Investments during the year.

RELATED PARTY TRANSACTIONS

All contracts/arrangements and transactions entered by the Company with related parties were in ordinary course of business and at arm's length basis. Your Directors draw attention of the members to Notes to accounts of financial statement which sets out related party disclosures. The related Party Transactions Policy as approved by the Board is available on the website of the Company www.arotile.com.

DIRECTORS

During the year, Mr. Dinesh Chandra Kothari (DIN: 00195609) and Mrs. Vinita Sood (DIN: 06926832) vacated their positions on the Board upon completion of their tenure as Non-Executive Independent Directors. To fill these vacancies, the Board appointed Mr. Keshava Murthy Kalasachar (DIN: 10694491) and Mr. Ashish Jyotindra Bhuta (DIN: 02149827) as Additional Directors on July 26, 2024.

Subsequently, both were appointed as Non-Executive Independent Directors upon receiving approval from the members at the Annual General Meeting held on September 18, 2024 for a consecutive period of five years effective from July 26, 2024.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134(3)(c) of the Companies Act, 2013, your Directors state that:

a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) the accounting policies have been selected and applied consistently and judgments and estimates made 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 and of the profit and loss of the Company for that period;

c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the said Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the annual accounts have been prepared on a going concern basis;

e) the internal financial control to be followed by the Company have been laid down and that such internal financial control are adequate and were operating effectively; and

f) the proper systems to ensure compliance with the provisions of all applicable laws have been devised and that such systems were adequate and operating effectively.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

A Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company which has been approved by the Board. The CSR policy may be access from the website of the Company i.e. www.arotile.com. The Annual Report on CSR activities is annexed herewith marked as **Annexure I**.

AUDITORS AND AUDITORS' REPORT

(a) Statutory Auditor

M/s Alok Mittal & Associates, Chartered Accountants, New Delhi was appointed as the Statutory Auditor of the Company for a period of Five Years from the Conclusion of Thirty Fourth Annual General Meeting. The Notes on the financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualifications, reservations or adverse remark.

(b) Secretarial Auditor

Practising Company Secretary Ms. Latika Jetley (CP No. 3074) was appointed as the Secretarial Auditor by the Board for the financial year 2024-25 to conduct the Secretarial Audit. The Secretarial Audit Report along with the Annual Secretarial Compliance Audit Report under SEBI Regulation for the year 2024-25 is annexed herewith

as **Annexure II**. The Secretarial Audit Report does not contain any qualifications, reservations or adverse remark.

(c) Internal Auditor

The Board had appointed M/s Sreekantha & Co., Chartered Accountants, Hosur as the Internal Auditor of the Company for the year 2024-25 Internal Audit report does not contain any qualifications, reservations or adverse remark.

COMPLIANCE WITH SECRETARIAL STANDARDS

Compliance of Secretarial Standards on Meeting of Board of Directors (SS-1) and General Meeting (SS2) issued by Institute of Company Secretary of India has been adopted by the Company.

PRACTISING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Practising Company Secretary's Certificate on Corporate Governance is enclosed as **Annexure III** to the Board's Report. The Auditors' Certificate for the year 2024-25 does not contain any qualifications, reservations or adverse remarks.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

During the period under review, there were no significant material orders passed by the Regulators or courts or tribunals which would impact the going concern status of the Company and its future operations.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

Additional information on conservation of energy, technology absorption, foreign exchange earnings and outgo as required as per the provisions of Companies Act 2013 and Rules there under is annexed herewith in **Annexure IV** and form part of this report.

PARTICULARS OF REMUNERATION

Statement of particulars of employee pursuant to the provisions of section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31st March 2025.

Employed throughout the financial year, ended 31st March 2025 in receipt of remuneration not less than One Crore two Lakh rupees per annum.

Name	Age	Qualification	Experience	Date of Commencement Employment	Designation	Remuneration	Last Employment
Mr. Sunil Kumar Arora	66 Years	B. Sc.	38 Years	03.05.1988	Managing Director	1,86,96,658	Since Inception

Pursuant to the provisions of Section 197 (12) of the Companies Act, 2013 read with Rule 5 of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, the details regarding the ratio of remuneration of each Director to the median employee's remuneration and such other details as required therein are as under:

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year: The Board of Directors of the Company comprises of Non-Executive Directors who has been paid commission in the form of Remuneration and sitting fee from the Company.

Sr. No.	Name	Ratio to median remuneration
1	Mr. Sunil Kumar Arora, Managing Director	973.480
2	Mr. Sundareshwara G Sastry	10.413
3	Mr. Dinesh Chandra Kothari	5.727
4	Ms. Sujata Arora	5.727
5	Ms. Vinita Sood	5.207
6	Mr. Keshava Murthy Kalasachar	4.686
7	Mr. Sahil Arora, Whole Time Director	223.901
8	Mr. Ashish Jyotindra Bhuta	4.686

2. The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary in the financial year: The Board of Directors of the Company comprises of Non-Executive Directors who has been paid Commission and sitting fee from the Company.

Sr. No.	Name	% Increase in Remuneration
1	Mr. Sunil Kumar Arora, Managing Director	0.36
2	Mr. Dinesh Chandra Kothari	(91.85)
3	Ms. Sujata Arora	(31.25)
4	Ms. Vinita Sood	(48.72)
5	Mr. Sahil Arora, Whole Time Director	1.17
6	Mr. Sundareshwara G. Sastry	(13.04)
7	Mr. Keshava Murthy Kalasachar	100.00
8	Mr. Ashish Jyotindra Bhuta	100.00
9	Mr. Sabyasachi Panigrahi, CS	(22.17)
10	Mr. M. Madangopal, CFO	(66.02)
11	Mr. C. Srinivasan, Chief Financial Officer	100.00
12	Mr. Ayush Goel, Company Secretary	100.00

3. The percentage increase in the median remuneration of employees in the financial year: 1.63
4. The number of permanent employees on the roll of Company: 229
5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the financial year ended 31st March 2025. NIL
6. The Company affirms that the remuneration is as per the remuneration policy of the Company.

CORPORATE GOVERNANCE INCLUDING DETAILS PERTAINING TO BOARD MEETINGS, NOMINATION AND REMUNERATION POLICY, AUDIT COMMITTEE AND VIGIL MECHANISM

Your Company re-affirms its Commitment to the highest standards of Corporate Governance practices. Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Management Discussion and Analysis, Corporate Governance Report and Auditors' Certificate regarding compliance of conditions of Corporate Governance are made a part of this Annual Report.

The Corporate Governance Report which form part of this report also covers the following:

a) Particulars of the Four Board Meetings held during the financial year.

b) Policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management.

c) The details with respect to composition of Audit Committee and establishment of Vigil Mechanism.

INTERNAL FINANCIAL CONTROL

The Company has in place adequate internal financial control with reference to financial statements and no material reportable weakness was observed in the system. Further, the Company has in place adequate internal financial control commensurate with the size and nature of its operations. The Company also has robust Budgetary Control System and Management Information System (MIS) which are backbone of the Company for ensuring that your Company's assets and interests are safeguarded.

LISTING

The Equity Shares of the Company are listed in BSE Limited and National Stock Exchange of India Limited. Listing fees for the year 2025-2026 have already been paid to BSE Limited and National Stock Exchange of India Limited.

ACKNOWLEDGEMENT

Your Directors wish to thank and acknowledge the Banks, Government Authorities, Dealers, Suppliers, Business Associates and the Company's Valued Customers for their assistance and cooperation and the esteemed Shareholders for their continued trust and support. The Directors also wish to acknowledge the committed and dedicated team of Aro Granite whose unstinted work, efforts and ideas have taken the Company on a path of steady growth and development.

For and on behalf of the Board

Sunil Kumar Arora
Managing Director
DIN-00150668

Sahil Arora
Whole Time Director
DIN-07970622

Place: Hosur
Date: 16.05.2025

Annexure I to the Board's Report

ANNUAL REPORT ON THE CSR ACTIVITIES UNDERTAKEN BY THE COMPANY DURING THE FINANCIAL YEAR ENDED 31ST MARCH 2025

1. **Brief outline of the CSR Policy of the Company.** To actively contribute to the social and economic development of the communities in which the Company operates. In doing so, build a better, sustainable way of life for the weaker sections of society and raise the country's human development index. The focus of the Company's CSR initiatives is on the all-round development of the communities located mostly in rural and semi-urban areas. These initiatives have also aim to accord priority to activities pertaining to inclusive growth of the society.

2. **Composition of CSR Committee:**

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Dinesh Chandra Kothari*	Chairman, Non-executive, Independent	1	1
2	Ms. Sujata Arora	Member, Non-executive, Non-Independent	1	1
3	Ms. Vinita Sood*	Member, Non-executive, Independent	1	1
4	Mr. Sundareshwara G. Sastry	Member, Non-executive, Independent	1	1
5	Mr. Ashish Jyotindra Bhuta	Chairman, Non-executive Independent @	1	0
6	Mr. Keshava Murthy Kalasachar	Member, Non-executive Independent #	1	0

* Mr. Dinesh Chandra Kothari (DIN: 00195609) & Ms. Vinita Sood (DIN: 06926832), Non-Executive Independent Directors had vacated the Board due to the completion of their two terms of five years.

@ w.e.f. 26.07.2024 Mr. Ashish Jyotindra Bhuta became the Chairman of the CSR Committee.

w.e.f. 26.07.2024 Mr. Keshava Murthy Kalasachar became the member of the CSR Committee.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: www.arotile.com

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). **N.A.**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set off for the financial year, if any (in ₹)
1	2024-25	NIL	NIL

6. Average net profit of the company as per section 135(5). ₹ **2,75,71,000.00**

7. (a) Two percent of average net profit of the company as per section 135(5): ₹ **5,51,000.00**

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **NIL**

   (c) Amount required to be set off for the financial year, if any: **NIL**

   (d) Total CSR obligation for the financial year (7a+7b-7c): ₹ **5,51,000.00**

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (₹)	Amount Unspent (₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
49,63,619.00	NOT APPLICABLE				

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Project duration.	Amount allocated for the project (in ₹). in Lacs	Amount spent in the current financial Year (in ₹).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	Mode of Implementation -Direct (Yes/ No).	Mode of Implementation- Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
NOT APPLICABLE												

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (₹).	Mode of implementation -Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR Registration number.
1.	Rural Health care program	Promoting health care, including preventive health care and sanitation	Yes	Tamil Nadu	Krishnagiri	49,63,619.00	NO	Aro Charitable Trust	CSR00079819
	Total					49,63,619.00			

(d) Amount spent in Administrative Overheads **NIL**

(e) Amount spent on Impact Assessment, if applicable **Not Applicable**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) **₹ 49,63,619.00**

(g) Excess amount for set off, if any **NIL**

Sr. No.	Particular	Amount (₹)
(i)	Two percent of average net profit of the company as per section 135(5)	5,51,000.00
(ii)	Total amount spent for the Financial Year	49,63,619.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	44,12,619.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

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

Sr. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in Succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹).	Date of transfer.	
Not Applicable							

(b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in ₹).	Amount spent on the project in the reporting Financial Year (₹).	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project -Completed/ Ongoing.
Not Applicable								

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

(a)	Date of creation or acquisition of the capital asset(s).	Not Applicable
(b)	Amount of CSR spent for creation or acquisition of capital asset.	Not Applicable
(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Not Applicable
(d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	Not Applicable

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

Sunil Kumar Arora
Managing Director
DIN-00150668

Ashish Jyotindra Bhuta
Chairman-CSR Committee
DIN: 02149827

RESPONSIBILITY STATEMENT

The Responsibility Statement of the Corporate Social Responsibility Committee of the Board of Directors of the Company is as below: "The implementation and monitoring of Corporate Social Responsibility (CSR) policy is in compliance with CSR objectives and policy of the Company

Sunil Kumar Arora
Managing Director
DIN-00150668

Ashish Jyotindra Bhuta
Chairman-CSR Committee
DIN: 02149827

Annexure II to the Board's Report

MR-3

Secretarial Audit Report for the Financial Year ended 31st March 2025

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

To,
The Members
Aro granite industries ltd.
1001, 10th Floor, DLF Tower A
Jasola, New Delhi 110025.

We have conducted the Secretarial Audit of the compliance of applicable Statutory Provisions and the adherence to good corporate practices by M/s **Aro granite industries ltd**., (herein after called the 'Company') which is a Listed Company. Secretarial Audit was conducted in a manner that provided us with a reasonable basis for evaluating the corporate/statutory compliances and expressing our opinion thereon.

We report further:

a. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

b. We have followed the audit practices and processes that are appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. We believe that the processes and practices we follow, provide the reasonable basis of our opinion.

c. Compliance of provisions of the corporate and other applicable laws, rules, regulation, standard is the responsibility of the management. Our examination was limited to the verification of procedures on a test check basis.

d. We have not verified the correctness and appropriateness of the Financial Statements of the Company.

e. 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.

Based on our 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, we hereby report that in our opinion the Company has during the audit period covering the financial year ended on 31st March 2025 (Audit Period) 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 the reporting made hereinafter:

We have examined the books, papers, minutes books, forms and returns filed, and other records maintained by the company for the financial year ended on 31st March 2025 according to the provisions of:

(i) The Companies Act 2013 ('the Act') and the Rules made there under:

(ii) The Securities Contracts (Regulation) Act.1956 (SCRA) and Rules made there under.

(iii) The Depositories Act,1996 and the Regulations and Byelaws framed there-under.

(iv) Foreign Exchange Management Act 1999 and the Rules & Regulations made there-under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. **(Not applicable to the company during audit period)**

(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 (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not applicable to the Company during audit period)**

d. The Securities and Exchange Board of India (Share Based Employees Benefits and Sweat Equity) Regulations 2021 **(Not applicable to the Company during audit period)**

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations

2008. **(Not applicable to the Company during the audit period)**

f. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations 1993 regarding the Companies Act and dealing with the client.

g. The Securities and Exchange Board of India (Delisting of equity shares) Regulations 2009 **(Not applicable to the company during the audit period)**

h. The Securities and Exchange Board of India (Buy Back of Securities) Regulations 2018 **(Not applicable to the company during the audit period)**

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

(i) Secretarial Standards issued by the Institute of Company Secretaries of India.

(ii) SEBI (listing Obligations and Disclosure Requirements) Regulations 2015 and the Listing Agreement entered into by the Company with Stock Exchanges.

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

We further report that

The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors and Independent Directors. During the Audit Period two Independent Directors tenure ended due to the completion of second term w.e.f 16th September 2024. During the Audit period Two Independent Non-Executive Directors were appointed w.e.f 26th July 2024 as per the provisions of Companies Act 2013.The Company has provided ₹ 5.51 lakhs for CSR and spent ₹ 49.64 lakhs under the Corporate Social Responsibility as per the relevant provisions of the Companies Act 2013. During the year there were related party transactions at an arm's length basis for which omnibus approval had been taken. During the year under audit, the Company has not declared any dividends as per the provisions of Section 123 of the Companies Act 2013. During the audit period the Company is not required to appoint the cost auditor but maintaining the cost records as per the section 148(1) Act in respect of its product. During the Audit period Chief Financial Officer was appointed on 1st August 2024 due to demise of CFO on 19th June 2024, as per the Provisions of Companies Act 2013. During the Audit period Company Appointed the Company Secretary w.e.f 1st August 2024 due to resignation of Company Secretary dated 31st July 2024 as per the compliance of provisions of Companies Act 2013.

Adequate notice was given to all 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. No Board Meetings were held at shorter notice during the Audit Period. During the audit period no resolution was passed by way of circulation. During the audit period no extraordinary general meeting was held. The Annual General Meeting was held through Video Conferencing, and proper Notice was sent to members as per the compliance of provisions of Companies Act 2013.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meeting of the Board of Directors or Committee of the Board, as the case may be. There are investments as per section 186 of the Companies Act 2013 by the Company. During the audit period an unsecured loan of ₹ 150 and ₹ 939.96 lakhs taken from the Directors as per the provisions of the Company Act 2013. Total unsecured Loan is ₹ 2,320.68 Lacs, out of which ₹ 330.95 lacs have been repaid during the year. The Company has paid to the supplier covered under Micro, Small and Medium Enterprise Act, 2006 beyond 45 days as per the understanding with the Company during the audit period.

We have relied on the Management Representation made by the Managing Director, CFO and Company Secretary for systems and mechanism formed by the Company to ensure the compliances under other applicable Acts, Laws and Regulations for two Units i.e. Hosur (Tamil Nadu) and Jaipur (Rajasthan) which are listed below:

1. Factories Act 1948.
2. Industries (Development and Regulation) Act, 1951.
3. Labour laws and Incidental laws related to Labour and Employees appointed by the Company either on its payroll or on contractual basis as related to Wages, Gratuity, Provident Fund, ESIC, Compensation etc.,
4. Acts prescribed under Prevention and Control of pollution.
5. Acts prescribed under Direct and Indirect taxes.
6. Land Revenue laws of respective States.
7. Labour welfare Act of respective States.
8. Legal Metrology Act 2009.
9. Employees State Insurance Act 1948.
10. Indian Boilers Act 1923 & Indian Boilers Regulation Act 1950 as amended in 2015,2017,2022.
11. Tamil Nadu Prevention of illegal Mining, Transportation and storage of Mineral and Mineral Dealers rules 2011 frames under section 23c (1) of MMDR Act.

12. The Bio-medical Waste Management & Handling Rules, 1998 as amended in 2000, 2003, 2016,2018,2019.

13. The Central Motor Vehicles Rules 1989, 2015, 2017, 2021 & 2022.

14. The Maternity Benefit Act, 1961 & The TN Maternity Benefit Rules, 1967 Amended in 2022.

15. The Petroleum Act, 1934 and Rules, 2002. The petroleum and Natural Gas Regulatory Board Act, 2006.

16. The Tamil Nadu Ground Water (Development and Management) Act,2003 as amended 2011.

17. The Tamil Nadu Panchayat Act, 1994.

18. The Rajasthan Fire & Emergency Act 2016,

19. The Tamil Nadu Fire Service Act, 1985, Rules 1990.

20. The Occupational Safety, Health and Working Conditions Code, 2020.

21. The Environment Impact Assessment Notification, 1994, 2006.

22. Acts as prescribed under the Shops and Establishment Act of Various Local Authorities.

We further report that during the audit period the company has not taken any event/action having a major bearing on the Company's affairs in pursuance of above referred laws, rules, regulations, guidelines, standards etc.

Latika Jetley
Practising Company Secretary
ACS 12120, C.P.3074
UDIN: A012120G000358983

Place: Hosur
Date: 16th May 2025

Annual Secretarial Compliance Report of Aro Granite Industries Limited for the financial year ended 31.03.2025.

[Pursuant to sub-regulation 2 of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015]

I/We have examined:

(a) all the documents and records made available to us and explanation provided by Aro Granite Industries 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 31st March 2025 from 1st April 2024 to 31stMarch 2025 ("Review Period") in respect of compliance with the provisions of:

1. the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

2. 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 period under review)**

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 period under review)**

e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable during the period under review)**

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

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

h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

i) Securities and Exchange Board of India (Depository and Participant) Regulations, 2018 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:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/Remarks by PCS*
1.	**Secretarial Standards:** 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.	Yes	
2.	**Adoption and timely updation of the Policies:** • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities. • All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/circulars/guidelines issued by SEBI	Yes	

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

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/Remarks by PCS*
3.	**Maintenance and disclosures on Website:** • The Listed entity is maintaining a functional website. • Timely dissemination of the documents/information under a separate section on the website • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re- directs to the relevant document(s)/section of the website.	Yes	
4.	**Disqualification of Director:** None of the Director(s) of the Company is/are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.	Yes	
5.	**Details related to Subsidiaries of listed entities have been examined w.r.t.:** (a) Identification of material subsidiary companies (b) Disclosure requirement of material as well as other subsidiaries	N.A	
6.	**Preservation of Documents:** 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	Yes	
7.	**Performance Evaluation:** 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.	Yes	
8.	**Related Party Transactions:** (a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or (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.	Yes	
9.	**Disclosure of events or information:** 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.	Yes	
10.	**Prohibition of Insider Trading:** The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015	Yes	

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

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/Remarks by PCS*
11.	**Actions taken by SEBI or Stock Exchange(s), if any:** 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 except as provided under separate paragraph herein (**).	Yes	
12.	**Additional Non-compliances, if any:** No additional non-compliance observed for any SEBI regulation/circular/guidance note etc.	Yes	

Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October 2019:**We noted that during the Review Period the statutory auditors of the Company did not resign and thus the Circular is not applicable.**

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/Remarks by PCS*
1.	**Compliances with the following conditions while appointing/re-appointing an auditor.** i. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/audit report for such quarter; or ii. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/audit report for such quarter as well as the next quarter; or iii. If the auditor has signed the limited review/audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/audit report for the last quarter of such financial year as well as the audit report for such financial year.	N.A	
2.	**Other conditions relating to resignation of statutory auditor.** i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee: ii. In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information/non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.	N.A	

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/Remarks by PCS*
	a. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information/explanation from the company, the auditor has informed the Audit Committee the details of information/explanation sought and not provided by the management, as applicable. b. The Audit Committee/Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor. c. Disclaimer in case of non-receipt of information: The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI/NFRA, in case where the listed entity/its material subsidiary has not provided information as required by the auditor.		
3.	The listed entity/its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in **Annexure- A** in SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019.	N.A	

(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:

Sr. No.	Compliance Requirement (Regulations/ Circulars/ Guidelines Including Specific Clause)	Regu lation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company secretary	Manage ment Response	Re-Marks
					NIL					

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

Sr. No.	Compliance Requirement (Regulations/ Circulars/ Guidelines Including Specific Clause)	Regu lation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company secretary	Manage ment Response	Re-Marks
NOT APPLICABLE										

Latika Jetley
ACS. 12120
CP NO: 3074
Peer Review No.1779/2022
UDIN No. A012120G000159058

Place: Delhi
Date: 21st April 2025

Annexure III to the Board's Report

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members,

Aro granite industries limited,

We have examined the compliance of conditions of Corporate Governance by **Aro granite industries limited,** for the year ended 31st March 2025, as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

We 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.

Latika Jetley
Practising Company Secretary
ACS 12120, COP 3074
UDIN: A012120G000359016

Place: Hosur
Date: 16th May 2025

Annexure IV to the Board's Report

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules 2014

(I) CONSERVATION OF ENERGY

The plant installed by the Company is of latest technology and energy efficient. Power consumption of the Company is very low. During the year under consideration a total 70,42,129 units were consumed and the per Sq. mt. power consumption cost only ₹ 226.79.

(II) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

Company has not imported any technology. Effective pollution control system has already been installed in the factory. Total Quality Management System has already implemented. Due to its consistent efforts the Company could achieve improvement & development in the quality of the product. It has also achieved process development, cost reduction etc.

(III) FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange earned in terms of actual inflows during the year and Foreign Exchange outgo during the year in terms of actual outflows. The details regarding foreign exchange earnings and outgo are given below.

(a) Earnings in Foreign Exchange

(₹ in Lakhs)

	Year ended 31.03.2025	Year ended 31.03.2024
Export of Goods (FOB)	10,88,998	13,777.26

(b) Expenditure in Foreign Currency

(₹ in Lakhs)

Value of Imports (CIF)	Year ended 31.03.2025		Year ended 31.03.2024	
Capital Goods	--	--	--	--
Raw Materials	85.61	7.18%	134.29	8.32%
Consumables	973.07	81.57%	1298.76	80.43%
Stores & Spares	84.40	7.08%	140.44	8.70%
Overseas Business Travelling	29.14	2.44%	20.96	1.30%
Other Expenses	20.64	1.73%	20.24	1.25%

Corporate Governance Report

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company believes in good Corporate Governance, which is an integral part of its business ethics. Through Corporate Governance, the Company wants to achieve highest level of transparency, accountability and equity in all its activities and functions. The overall target is to enhance the value of the stakeholders by providing them with all sorts of information regarding the functioning of the Company and remain committed to the highest level of customer satisfaction and high standard of business ethics in the long run. The Company firmly believes that over a period of time all its operations and actions must serve the underlying goal of enhancing overall shareholders' value.

2. BOARD OF DIRECTORS

The Board of Directors presently consists of Six Directors comprised of Four Non-Executive Directors (NED) of which three are Independent. The Board does not have a permanent Chairman. At each Board Meeting, Directors present elect one amongst themselves as the Chairman. Four Board Meetings were held during the Financial Year ended 31st March 2025 on 23rd April 2024, 26th July 2024, 14th November 2024 and 04th February 2025. Attendance and other details are given below:

(₹ in Lakhs)

Name of the Director	Category	No. of Board Meetings attended	Whether last AGM attended (18.09.2024)	Outside Directorships and Committee positions			Directorship in other listed entity (Category of Directorship)
				Directorships#	Committee Membership*	Committee Chairmanship*	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Mr. Sunil Kumar Arora@ (Managing Director) (00150668)	Executive (Promoter)	4	Yes	-	-	-	-
Mr. Sahil Arora@ Whole Time Director (07970622)	Executive (Promoter)	4	Yes	-	-	-	
Mr. Dinesh Chandra Kothari (00195609)	Non-Executive and Independent	2	No	-	-	-	-
Ms. Sujata Arora@ (00112866)	Non-Executive (Promoter)	4	Yes	-	-	-	-
Ms. Vinita Sood (06926832)	Non-Executive and Independent	2	No	-	-	-	-
Mr. Keshava Murthy Kalasachar ✓ (10694491)	Non-Executive and Independent	3	Yes	-	-	-	-
Mr. Ashish Jyotindra Bhuta ✓ (02149827)	Non-Executive and Independent	3	Yes	1	-	-	-
Mr. Sundareshwara G Sastry (00165762)	Non-Executive and Independent	4	Yes	-	-	-	-

As per Section 165 of the Companies Act 2013 and Regulation 25 of the SEBI (LODR) 2015.

* Only covers Membership/Chairmanship of Audit Committee and Stakeholders Relationship Committee.

@ Mr. Sunil Kumar Arora is the husband of Ms. Sujata Arora and father of Mr. Sahil Arora.

✓ w.e.f. 26.07.2024 Mr. Ashish Jyotindra Bhuta (DIN: 02149827) and Mr. Keshava Murthy Kalasachar (DIN: 10694491) appointed as the additional Directors in the Board wherein on 18.09.2024 after the approval of the Members in the AGM both were appointed as the Non-Executive Independent Directors.

Whereas Mr. Dinesh Chandra Kothari (DIN: 00195609) and Ms. Vinita Sood (DIN: 06926832), Non-Executive Independent Directors had vacated the Board due to the Completion of their two terms of Five Years.

The Board periodically reviews Compliance Reports of all laws applicable to the Company and has put in place procedures to review steps to be taken by the Company to rectify instances of non-compliances, if any.

Details of equity shares of the Company held by the Directors as on March 31, 2025, are given below:

Name	Category	No. of Equity Shares
Sujata Arora	Non-independent, non-executive	601372

The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company/Business which are currently available with the Board:

International Business	Understanding of the international business dynamics across the globe specifically under various geographical markets, prevailing regulations and challenging situations filled with adversity.
Governance	Experience in driving corporate ethics & values, maintaining board and management accountability, practicing corporate governance of highest standard amongst the stakeholders.
Strategy	Understanding of the requirement of long-term strategy and planning taking into account the diversified international business environment.

The Directors appointed are drawn from diverse backgrounds and possess special skills with regard to the industries/fields from where they come. The appointment is mainly dependent on whether the person possesses the requisite skill sets identified by the Board and whether the person has the requisite ability in running a business that is relevant to the Company's business. Being an 100% Export Oriented Unit, Company's business runs across different geographical markets and is global in nature.

The Company has a Code of Conduct for Management Cadre Staff which is strictly adhered to. In terms of Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, contemporary practices of good corporate governance, a code of conduct was laid down by the Board for all the Board Members and Senior Management of the Company. The said code is available on the Company's website (www.arotile.com). All the Board Members and Senior Management Personnel have affirmed compliance with the said Code. This Report contains a declaration to this effect signed by the Managing Director.

Independent Director

The Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") define an 'independent director' as a person who, including his/her relatives, is or was not a promoter or employee or key managerial personnel of the company or its subsidiaries. Further, the person and his/her relatives should not have a material pecuniary relationship or transactions with the company or its subsidiaries during the three immediate preceding financial years or during the current financial year, apart from receiving remuneration as an independent director if any.

Based on the disclosures received from all independent directors and in the opinion of the Board, the independent directors fulfill the conditions specified in the Companies Act, 2013, the Listing Regulations and are independent of the Management.

Changes To Board During 2024-25

There are some changes implemented in the Board of the Company during the period 2024-25, w.e.f. 26.07.2024 Mr. Ashish Jyotindra Bhuta (DIN: 02149827) and Mr. Keshava Murthy Kalasachar (DIN: 10694491) appointed as the Additional Directors in the Board wherein on 18.09.2024 after the approval of the Members in the AGM both were appointed as the Non-Executive Independent Directors.

Whereas Mr. Dinesh Chandra Kothari (DIN: 00195609) and Ms. Vinita Sood (DIN: 06926832), Non-Executive Independent Directors had vacated the Board due to the Completion of their two terms of Five Years.

3. AUDIT COMMITTEE

The Company has an Audit Committee of Directors. The "Terms of Reference" of the Committee are in conformity with the provisions of Section 177 of the Companies Act 2013 & Rule 6 of Companies (Meetings of Board and its Powers) Rules 2014 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee is consisting of four Directors namely Mr. Sundareshwara G. Sastry (Chairman of the Committee), Mr. Ashish Jyotindra Bhuta, Mr. Keshava Murthy Kalasachar all are non-executive Independent Directors and Mr. Sunil Kumar Arora, Executive Director.

Company Secretary acts as the Secretary of the Committee. During the financial year ended 31.03.2025, four meetings of the Audit Committee were held. Date of meetings (number of members attended): 23.04.2024 (4), 26.07.2024 (4), 14.11.2024 (4) and 04.02.2025 (4).

4. NOMINATION AND REMUNERATION COMMITTEE

The Company has a Nomination and Remuneration Committee. The "Terms of Reference" of the Committee are in conformity with the provisions of Section 178 of the Companies Act 2013 & Rule 6 of Companies (Meetings of Board and its Powers) Rules 2014 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Nomination and Remuneration Committee is consisting of Three Non-Executive Directors namely Mr. Keshava Murthy Kalasachar (Chairman of the Committee), Mr. Sundareshwara G. Sastry and Mr. Ashish Jyotindra Bhuta. All are Independent Directors.

Company Secretary acts as the Secretary of the Committee. During the financial year ended 31.03.2025. Two meeting was held. Date of Meeting (number of members attended): 23.04.2024 (3), 26.07.2024 (3).

5. NOMINATION AND REMUNERATION POLICY

In accordance with the provisions of the Companies Act 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company has a Nomination and Remuneration Policy which is disclosed below.

Criteria for recommending a person to become Director

The Committee shall take into consideration the following criteria of qualification, positive attributes and independence for recommending to the Board for appointment of a Director:

Qualification & Experience

The incumbent shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, operations, corporate governance, education, community service or other disciplines.

Attributes/Qualities

The incumbent Director may possess one or more of the following attributes/qualities:

- Respect for and strong willingness to imbibe the Company's Core Values.
- Honesty and professional integrity.
- Strategic capability with business vision.
- Entrepreneurial spirit and track record of achievement.
- Ability to be independent and capable of lateral thinking.
- Reasonable financial expertise.
- Have contacts in fields of business/Corporate World/Finance/Chambers of Commerce & Industry.
- Can effectively review and challenge the performance of management.

In case the proposed appointee is an Independent Director, he should fulfill the criteria for appointment as Independent Director as per the provisions of the Act, SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws & regulations. "He" or "his" as mentioned in this policy includes any gender.

The incumbent should not be disqualified for appointment as Director pursuant to the provisions of the Companies Act, 2013 or other applicable laws & regulations.

Director's Compensation

The Committee will recommend to the Board appropriate compensation to Executive Directors subject to the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws regulations. The Committee shall periodically review the compensation of such Directors in relation to other comparable Companies and other factors, the Committee deems appropriate. Proposed changes, if any, in the compensation of such Directors shall be reviewed by the Committee subject to approval of the Board.

Evaluation

The Board will review the performance of a Director as per the structure of performance evaluation.

Board Diversity

The Committee will review from time-to-time Board diversity to bring in professional performance in different areas of operations, transparency, corporate governance, financial management, risk assessment & mitigation strategy and human resource management in the Company. The Company will keep succession planning and Board diversity in mind in recommending any new name of Director for appointment to the Board. It will be Committee's Endeavour to have at least one Director from the following fields:

a) Accounting and Corporate Finance

b) Legal and Corporate Laws

c) Business, Management and Corporate Strategy

Eligibility Criteria & Remuneration of Key Managerial Personnel and other Senior Management Personnel:

The eligibility criteria for appointment of key managerial personnel and other senior management personnel shall vary for different positions depending upon the job description of the relevant position. In particular, the position of key managerial personnel shall be filled by senior personnel having relevant qualifications and experience.

The Compensation structure for Key managerial personnel and other senior management personnel shall be as per Company's remuneration structure taking into account factors such as level of experience, qualification and suitability which shall be reasonable

and sufficient to attract, retain and motivate them. The remuneration would be linked to appropriate performance benchmarks.

The remuneration may consist of fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

6. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company has Stakeholders Relationship Committee at the Board level which consists of Three Directors, namely Mr. Sundareshwara G. Sastry (Chairman of the committee), Mr. Sunil Kumar Arora and Mr. Keshava Murthy Kalasachar. The composition of the committee is in conformity with Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 read with Section 178 of the Companies Act, 2013. Mr. Ayush Goel, Company Secretary is the Compliance Officer of the Committee who oversees the investors grievances including Transfer/Transmission of Equity Shares, De-materialisation/Re-materialisation of Equity Shares, non-receipt of Dividend, Annual Reports etc. All the complaints received by the Company have been resolved promptly to the satisfaction of the Shareholders. All the valid requests for transfer of Equity Shares in physical form were processed in time and there are no pending transfers of Equity Shares. During the Financial Year ended 31.03.2025, One meeting of the Stakeholders Relationship Committee was held. Date of meeting (number of members attended): 23.04.2024 (3).

7. CSR COMMITTEE

The CSR Committee is comprising of Mr. Ashish Jyotindra Bhuta (Chairman), Ms. Sujata Arora, Mr. Sundareshwara G. Sastry and Mr. Keshava Murthy Kalasachar as other members. During the financial year ended 31.03.2025, one meeting was held. Date of Meeting (number of members attended): 23.04.2024 (4).

8. REMUNERATION OF DIRECTORS

a) Executive Directors: The aggregate amount of Salary, HRA paid during the financial year ended 31st March 2025 Mr. Sunil Kumar Arora, Managing Director was ₹ 1,86,96,658/- and Mr. Sahil Arora, Whole Time Director was ₹ 43,00,234/-.

b) Non-Executive Directors: During the year 2024-2025, the Company has paid sitting fees of ₹ 5,90,000/- to all the Independent Directors. Other Non-Executive Director Ms. Sujata Arora was paid sitting fees of ₹ 1,10,000/-.

9. GENERAL BODY MEETINGS

Location and time for the last three Annual General Meetings (AGMs) of the Company were:

Year	Location	Date	Time	Whether Spl. Resolution passed
2021-22	Through VC/OAV means	26th August, 2022	12.30 P.M.	Yes
2022-23	Through VC/OAV means	08th September, 2023	12.30 P.M.	Yes
2023-24	Through VC/OAV means	18th September, 2024	12.30 P.M.	Yes

10. OTHER DISCLOSURES

a) Materially significant related party transactions: All transactions entered into with related parties as defined under the Companies Act 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 during the financial year were in the ordinary course of business. These have been approved by the Audit Committee. There have been no materially significant related party transactions that may have potential conflict with the interests of listed entity at large as provided in the Related party transactions policy. The Related Party Transactions Policy is available on our website, at http://www.arotile.com

b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by the stock exchanges or the SEBI or any statutory authority, on any matter related to capital markets, during the last three financial years 2021-22, 2022-23 and 2023-24 respectively: **Nil**

c) The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 for Directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the audit committee. The said policy has been also put up on the website of the Company at the following link http://www.arotile.com

d) The Company has also adopted Policy on Determination of Materiality for Disclosures and Policy for Preservation of Documents. The said policy has been also put up on the website of the Company at the following link http://www.arotile.com

e) Reconciliation of share capital audit: A qualified practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") and the total issued and listed equity share capital. The audit report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

f) Code of Conduct: The members of the Board and senior management personnel have affirmed the compliance with Code applicable to them during the year ending 31st March, 2025. The annual report of the Company contains a certificate by the Managing Director in terms of SEBI Listing Regulations on the compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management.

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

Sr. No	Particulars	Details
1	Number of Complaints filed during the Financial Year	NIL
2	Number of Complaints disposed off during the financial year	NIL
3	Number of complaints pending at the end of the financial year	NIL

h) Maternity Benefit

Your company is compliant with the statutory provisions of the Maternity Benefit Act, 1961.

i) Certification from Company Secretary in Practice Latika Jetley, Practising Company Secretary has issued a certificate as required under the Listing Regulations, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of Companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority. The Certificate is enclosed with this section as "**Annexure A**".

During the year 2024-25, total fees for all services paid by the Company to M/s. Alok Mittal & Associates, Statutory Auditors is ₹ 10.00 Lakhs.

11. MEANS OF COMMUNICATION

Quarterly, Half-yearly and Annual results are normally published in the leading English newspapers, namely, Financial Express and Jansatta, having wide circulation and promptly furnished to the Stock Exchanges for display on their respective websites. The financial results are also displayed on the Company's website www.arotile.com. "Management Discussion and Analysis" and 'Shareholders Information' forms part of the Annual Report.

12. GENERAL SHAREHOLDERS' INFORMATION

(i) Registered Office : 1001, 10th floor, DLF Tower 'A', Jasola, New Delhi 110025 (CIN: L74899DL1988PLC031510)

(ii) Annual General Meeting

a) Day and Date : Friday, the 12th September 2025

Time : 12.30 P.M. (IST)

Venue : VC/OAV Means

b) As required under Regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, a brief resume and other particulars of the appointment of Directors retiring by rotation at the aforesaid Annual General Meeting and seeking re-appointment are being given in the Notes to Notice convening the said meeting.

(iii) Financial Calendar (Tentative)

• Financial Reporting	
• for the quarter ending 30.06.2025	
• for the quarter ending 30.09.2025	in 45 days of the end of the quarter
• for the quarter ending 31.12.2025	
• for the year ending 31.03.2026 (If unaudited) (If audited)	Within 60 days of the end of the quarter
• Annual General Meeting for the Financial Year 2025-26	Between July and September 2026

(iv)	**Date of Book Closure**	:	**From 06.09.2025 to 12.09.2025 (both days inclusive)**
(v)	**Listing on Stock Exchange**	:	The Equity Shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited (NSE). Annual Listing Fee for the Financial Year 2025-26 has been paid to BSE & NSE.
(Vi)	**Security Code for**	:	**BSE**: 513729, **NSE**: AROGRANITE/EQ
	Company's Equity Shares ISIN No	:	INE210C01013

(vii) Distribution of Shareholding as on 31st March 2025:

Category (No. of Shares)	No. of Equity Shares	%	No. of Shareholders	%
1-500	1183752	7.74	9894	83.21
501-1000	774637	5.06	969	8.15
1001-5000	1788318	11.69	842	7.08
5001-10000	662256	4.33	89	0.74
10001 and above	10891037	71.18	97	0.82
TOTAL	**15300000**	**100.00**	**11891**	**100.00**

(viii) Shareholding Pattern as on 31st March 2025:

Sr. No.	Shareholders	No of Shares	% of Shareholding
1	Directors & Relatives	6285656	41.08
2	Non-Residents Individuals/OCBs	171360	1.12
3	Private Corporate Bodies	381794	2.50
4	General Public	8461190	55.30
	Total	**15300000**	**100.00**

(x) Share Transfer System

All valid requests for transfer/transmission of Equity Shares in physical form are processed within a period of 15 days from the date of receipt thereof and the share certificates duly transferred are immediately returned to the transferee/lodger. In the case of Equity Shares in electronic form, the transfers are processed by NSDL/ CDSL through the respective Depository Participants.

(xi) Dematerialisation of Shares & Liquidity

Trading in the Equity Shares of the Company is permitted only in dematerialised form. Shareholders may therefore, in their own interest, dematerialise their holdings in physical form, with any one of the Depositories namely NSDL and CDSL. The ISIN No. for Equity Shares of the Company for both the depositories is INE210C01013. As on 31st March 2025, 98.67% the Equity Shares stands dematerialised. It may be noted that in respect of shares held in demat form, all the requests for nomination, change of address, ECS, Bank Mandate and rematerialisation etc. are to be made only to the Depository Participant (DP) of the Shareholder.

(xii) Outstanding GDRs/ADRs/Warrants/Options or any convertible instruments, conversion date and its likely impact on Equity: There are no outstanding GDRs/ADRs/Warrants of the Company.

(xiii) Corp. Off. & Works at: Koneripalli Village, Via: Shoolagiri
Taluk: Hosur, Dist: Krishnagiri,
Tamil Nadu 635 117

(xiv) Address for Correspondence regarding share transfers and other matters

Aro granite industries ltd.
Regd. Office:
1001, 10th Floor, DLF Tower 'A', Jasola
New Delhi 110 025
Phone No.: 91-11-41686169
Fax No.: 91-11-26941984
E mail: investorgrievance@arotile.com

M/s Alankit Assignments Limited
Registrar & Transfer Agent (RTA)
Alankit House, 4E/2,
Jhandewalan Extension
New Delhi 110055
Phone No: 91-11-23541234,91-11-42541234
Fax No.: 91-11-23552001
E mail: info@alankit.com

13. DECLARATION

This is to confirm that all the Directors and Senior Management Personnel of the Company have affirmed compliance with the code of conduct for Directors and Senior Management adopted by the Board.

Sunil Kumar Arora
Managing Director
DIN-00150668

Managing Director Certification

To,
The Board of Directors
Aro granite industries limited

1. I have reviewed the financial statements and the cash flow statement of Aro granite industries limited for the financial year ended 31st March, 2025 and that to the best of our knowledge and belief:
   (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

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

3. I accept the responsibility for establishing and maintaining internal control for financial reporting and that I have evaluated the effectiveness of the Company's internal control system pertaining to financial reporting. I have not come across any reportable deficiencies in the design or operation of such internal control.

4. I have indicated to the Auditors and the Audit Committee:
   (i) That there are no significant changes in internal control over financial reporting during the year;
   (ii) That there are no significant changes in accounting policies during the year; and
   (iii) That there are no instances of significant fraud of which I have become aware.

Sunil Kumar Arora
Managing Director
DIN-00150668

"Annexure A"

Practising Company Secretary's Certificate on Directors

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

To,
The Members
Aro granite industries ltd.
1001, 10th Floor, DLF Tower 'A'
Jasola, New Delhi 110025

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Aro granite industries ltd**. having CIN L74899DL1988PLC031510 and having registered office at 1001, 10th Floor, DLF Tower 'A', Jasola, New Delhi 110025 (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para-C Sub-clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number ('DIN') status at the portal www.mca.gov.in) 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 ended March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Name of the Director	DIN	Date of Appointment
SUNIL KUMAR ARORA	00150668	01.04.2024
SAHIL ARORA	07970622	01.11.2023
ASHISH JYOTINDRA BHUTA	02149827	26.07.2024
SUNDARESHWARA G SASTRY	00165762	28.10.2022
SUJATA ARORA	00112866	18.09.2024
KESHAVA MURTHY KALASACHAR	10694491	26.07.2024

Ensuring the eligibility 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.

Latika Jetley
Company Secretariesy
ACS: 12120/C.P.NO.: 3074
UDIN: A012120G000359170

Date: 16th May 2025

Independent Auditor's Report

TO THE MEMBERS OF ARO GRANITE INDUSTRIES LIMITED

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of **ARO GRANITE INDUSTRIES LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025 and its Loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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.

Key Audit Matter	Auditor's Response
1. Provisions and contingent liabilities in relation to tax positions	
The Management have made judgements relating to the likelihood of an obligation arising and whether there is a need to recognize a provision or disclose a contingent liability. We therefore focused on this area as a result of uncertainty and potential material impact. Refer Note 38 to the financial statements.	We have involved our experts to gain an understanding of the current status of the tax cases and monitored changes in the disputes by reading external opinions received by the company if any, where relevant to establish that the tax provisions had been appropriately adjusted to reflect the latest external developments. For Legal, regulatory and tax matters our procedures included the following: • Testing key controls surrounding litigation, regulatory and tax procedures. • Performing substantive procedures on the underlying calculations supporting the provisions recorded. • Where relevant, reading external legal opinions obtained by the management. • Discussing open matters with the litigation, regulator, general counsel and tax teams. • Assessing management's conclusions through understanding precedents set in similar cases. Based on the evidence obtained, while noting the inherent uncertainty with such legal, regulatory and tax matters, we determined the level of provisioning and disclosure of contingent liabilities as at March 31, 2025 to be appropriate.

Key Audit Matter	Auditor's Response
2. Related Party Transactions	
The Company has entered into several transactions with related parties during the year 2024-25. We identified related party transactions as a key audit matter because of risks with respect to completeness of disclosures made in the standalone financial statements including recoverability thereof; compliance with statutory regulations governing related party relationships such as the Companies Act,2013 and SEBI Regulations and the judgement involved in assessing whether transactions with related parties are undertaken at arms' length. Refer Note 40 to the standalone financial statements.	Our audit procedures on related party transactions included: • Assessed the key controls to identify and disclose related party relationships and transactions in accordance with the relevant accounting standard. • Assessed compliances with the listing regulations and the regulations under Companies Act,2013 including checking of approvals/scrutiny as specified in Sections 177 and 188 of the Companies Act,2013 with respect to the related party transactions. • Considered the adequacy and appropriateness of the disclosures in the standalone financial statements, including recoverability thereof, relating to the related party transactions. • Inspected relevant ledgers, agreements and other information that may indicate the existence of related party relationships or transactions. Further, we also tested completeness of related parties with reference to the various registers maintained by the company statutorily. On a sample basis, tested Company's assessment of related party transactions for arms' length pricing.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

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

In preparing the standalone 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 is also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone 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

1. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions ofSection 197 of the Companies Act, 2013.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has no pending litigations.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

v. The Board of Directors of the Company have not proposed any final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting or paid any interim dividend during the financial year. Accordingly, the provisions of Section 123 of the Act, are not applicable.

vi. Proviso to Rule 3 (1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023,

and accordingly reporting under Rule 11(g) of Companies (Audit and Auditors) Rules 2014 is applied for the financial year ended March 31, 2025.

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

For Alok Mittal & Associates
Chartered Accountants
Firm Regn. No. 005717N

Alok Kumar Mittal
Partner
M.N.: 071205

Place: Hosur, Tamilnadu
Date: 16.05.2025

UDIN: 25071205BMHGJ02651

Annexure "A"

TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Aro Granite Industries Limited** of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls over financial reporting of **ARO GRANITE INDUSTRIES LIMITED** (the "Company") as of March 31, 2025 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 Management of the Company 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 (the "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 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 Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 standalone financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the criteria for internal financial control over financial reporting 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 ICAI.

For Alok Mittal & Associates
Chartered Accountants
Firm Regn. No. 005717N

Alok Kumar Mittal
Partner
M.N.: 071205

Place: Hosur, Tamilnadu
Date: 16.05.2025

UDIN: 25071205BMHGJ02651

ANNEXURE "B"

TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Aro Granite Industries Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed/ transfer deed/conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. In respect of inventories:

(a) According to the information available to us, physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies is noticed on physical verification between the physical stocks and the book records.

(b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, during the year, from banks or financial institutions on the basis of security of current assets. the quarterly 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 not 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, during the year, except some investments:

(a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.

(b) In our opinion, the investments made during the year are, prima facie, not prejudicial to the Company's interest.

(c) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year and hence reporting under clause 3(iii)(c) of the Order is not applicable.

(d) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year and hence reporting under clause 3(iii)(d) of the Order is not applicable.

(e) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year and hence reporting under clause 3(iii)(d) of the Order is not applicable.

(f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. Pursuant to the rules made by the Central Government of India, the company is not required to maintain cost records as specified under Section 148(1) of the Companies Act 2013, Hence reporting under clause (vi) of the Order is not applicable to the Company.

vii. In respect of statutory dues:

(a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the company has not defaulted in repayment of loans or borrowings to any bank. Further, there were no dues payable to financial institution or Government or debenture holders as at Balance Sheet date.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) According to the records of the Company examined by us and the information and explanation given to us, the term loans obtained by the Company have been applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) The Company does not have any subsidiary company, associate or joint ventures during the year. Hence reporting on clause 3(ix)(e) of the Order is not applicable.

(f) The Company does not have any subsidiary company, associate or joint ventures during the year and has not raised loans during the year on the pledge of securities held in its subsidiaries, associates and joint ventures.

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) No report under sub-section (12) of Section 143 of the Companies Act is required to be filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and hence clause (xi)(b) of the order is not applicable for the year.

(c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii)(a), (xii)(b), and (xii)(c), of the Order is not applicable.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or perso6ns connected with its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. The Company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

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

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

(b) There are no unspent amount towards Corporate Social Responsibility (CSR) in respect of ongoing projects, requiring a transfer to a Special account within a period of 30 days from the end of the said financial year in compliance with the provision of Section 135(6) of the Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

xxi. The provisions relating to preparation of Consolidated Financial Statements are not applicable to the Company during the year. Therefore, reporting under clause 3(xxi) of the order is not applicable to the Company.

For Alok Mittal & Associates
Chartered Accountants
Firm Regn. No. 005717N

Alok Kumar Mittal
Partner
M.N.: 071205

Place: Hosur, Tamilnadu
Date: 16.05.2025

UDIN: 25071205BMHGJ02651

Balance Sheet

As at March 31, 2025

Amount in ₹ lakh

Particulars	Note	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, Plant and Equipment	5	12,860.23	13,813.17
Capital Work in Progress	5	103.69	97.75
Intangible Assets	5	12.89	12.89
Right of Use Asset	6	1,037.13	1,046.67
Financial assets			
- Investments	7(a)	42.05	57.55
- Other financial assets	7(b)	201.24	176.50
Other non current assets	8	-	14.17
Total non current assets		**14,257.23**	**15,218.70**
Current Assets			
Inventories	9	21,421.37	21,335.17
Financial Assets			
- Investments	10(a)	45.67	26.45
- Trade Receivables	10(b)	3,482.22	4,958.02
- Cash and Cash Equivalents	10(c)	56.84	74.91
- Earmarked Balances with Bank	10(d)	6.73	6.73
- Bank balances other than cash and cash equivalents	10(e)	776.66	788.74
- Loans	10(f)	2.15	2.99
Other current assets	11	1,922.45	2,047.28
Current Tax Assets (Net)	22	2.76	-
Total current assets		**27,716.84**	**29,240.29**
Total Assets		**41,974.07**	**44,458.99**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	12	1,530.00	1,530.00
Other Equity	13	17,055.94	17,672.41
Total equity		**18,585.94**	**19,202.41**
Liabilities			
Non-current liabilities			
Financial Liabilities			
- Borrowings	14	2,836.97	4,640.84
Provisions	15	224.15	229.20
Deferred Tax Liabilities (Net)	16	1,294.67	1,337.54
Total non-current liabilities		**4,355.79**	**6,207.58**
Current Liabilities			
Financial Liabilities			
- Borrowings	17	13,127.67	14,233.85
- Trade Payables	18		
Total Outstanding Dues of micro & small enterprises		332.08	360.21
Total Outstanding Dues of creditors other than above		4,567.88	3,661.20
- Other Financial Liabilities	19	391.64	397.18
Other Current Liabilities	20	529.74	259.56
Provisions	21	83.33	83.33
Current Tax Liability (Net)	22	-	53.67
Total current liabilities		**19,032.34**	**19,049.00**
Total Liabilities		**23,388.13**	**25,256.58**
Total Equity and Liabilities		**41,974.07**	**44,458.99**
The above balance sheet should be read in conjunction with the accompanying notes	1-46		

This is the balance sheet referred to in our report of even date

For Alok Mittal & Associates
Firm Registration No. 005717N
Chartered Accountants

For and on behalf of the Board

Alok Kumar Mittal
Partner
Membership No. 071205
UDIN: 25071205BMHGJ02651

Sunil Kumar Arora
Managing Director
DIN-00150668

Sahil Arora
Whole Time Director
DIN-07970622

Place: Hosur, Tamilnadu
Date: 16.05.2025

Ayush Goel
Company Secretary
M. No. A62697

C Srinivasan
CFO

Statement of Profit and Loss

For the year ended March 31, 2025

Amount in ₹ lakh

Particulars	Note	For the year ended March 31, 2025	For the Year ended March 31, 2024
Revenue from Operations	23	12,309.05	15,509.48
Other Income	24	965.82	37.75
Total Income		**13,274.87**	**15,547.23**
Expenses:			
Cost of materials consumed	25	6,188.93	8,326.11
Purchase of Stock-in-Trade		633.32	252.22
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	26	167.14	(1,207.78)
Employee Benefit Expense	27	1,479.70	1,588.07
Financial Costs	28	1,287.32	1,610.91
Depreciation and Amortization Expense	29	994.12	1,172.29
Other Expenses	30	3,209.51	3,465.17
Total Expenses		**13,960.04**	**15,206.99**
Profit before exceptional items & Tax		**(685.17)**	**340.24**
Less: Exceptional Items		-	-
Profit/(Loss) before Tax		(685.17)	340.24
Tax Expenses:	31		
- Current tax		-	56.80
Less: Mat Credit Entitlement		-	(56.80)
- Deferred tax		(42.89)	208.84
		(42.89)	208.84
Profit/(Loss) for the period		**(642.28)**	**131.40**
Other Comprehensive Income/(Expediture)			
- Remeasurement of the Defined Benefit Plans to Employees		-	(0.98)
- Net change in fair values of investment in equity shares carried at fair value through OCI		19.22	7.58
- Income Tax relating to Items that will not be reclassified to Profit & Loss		-	(2.58)
Total Comprehensive Income/(Loss)		**(623.06)**	**135.42**
Earning per equity share of ₹ 10 each	32		
Basic		(4.07)	0.89
Diluted		(4.07)	0.89
The above Statement of Profit & Loss should be read in conjunction with the accompanying notes	1-46		

This is the Statement of Profit & Loss referred to in our report of even date

For Alok Mittal & Associates
Firm Registration No. 005717N
Chartered Accountants

For and on behalf of the Board

Alok Kumar Mittal
Partner
Membership No. 071205
UDIN: 25071205BMHGJ02651

Sunil Kumar Arora
Managing Director
DIN-00150668

Sahil Arora
Whole Time Director
DIN-07970622

Ayush Goel
Company Secretary
M. No. A62697

Place: Hosur, Tamilnadu
Date: 16.05.2025

C Srinivasan
CFO

Statement of Cash Flows

For the year ended March 31, 2025

Amount in ₹ lakh

	Particulars	As at March 31, 2025	As at March 31, 2024
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before exceptional item and tax	(685.17)	340.24
	Adjustments For		
	Depreciation and amortization expense	994.12	1,172.29
	Finance Cost	1,287.32	1,610.91
	Foreign currency fluctuation (Gain/Loss)	(844.24)	(3.58)
	Profit on sale of Property, Plant and equipment	-	-
	Interest Income on FD with banks and others	(40.61)	(19.32)
	Operating Profit before working capital changes	711.42	3,100.54
	Adjustment for Working Capital Changes		
	Decrease/(Increase) in Trade receivables	1,475.80	1,195.62
	Decrease/(Increase) in other current assets	115.78	(91.18)
	Decrease/(Increase) in inventories	(86.20)	(1,398.79)
	(Decrease)Increase in Provisions	(5.05)	11.84
	(Decrease)Increase in Trade and other payables	1,089.53	685.40
	Cash generated from Operations	3,301.27	3,503.43
	Taxes paid	-	-
	Net Cash flow from operating activities	**3,301.27**	**3,503.43**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Property, Plant and equipment & WIP	(39.02)	(15.16)
	Sale of Fixed Assets	20.10	-
	Interest received	40.61	19.32
	Net cash flow from investing Activities	**21.70**	**4.16**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from Current Borrowings	(1,803.87)	(1,379.95)
	Repayment of Long term Borrowings (Secured)	(1,106.19)	(247.41)
	Interest paid	(1,287.32)	(1,610.91)
	Foreign currency fluctuation (Gain/Loss)	844.24	3.58
	Net Cash from financing Activities	**(3,353.14)**	**(3,234.69)**
	Net increase/(decrease) in cash and cash equivalent (a+b+c)	**(30.16)**	**272.90**
	Opening balance of Cash & Cash equivalents	870.38	597.48
	Closing balance of Cash & cash equivalent	840.23	870.38
	Cash and cash Equivalents comprises		
	Cash in Hand	5.30	3.29
	Balance with Scheduled Banks		
	- In current Accounts	51.54	71.62
	- Earmarked Balances with Bank	6.73	6.73
	- In Other Fixed Deposit Accounts	485.45	530.45
	- In Fixed Deposit Accounts as Margin Money	291.20	258.29
	Total Cash and Cash Equivalents	**840.23**	**870.38**

i) The above Cash Flow Statement has been prepared under the ' Indirect Method' as set out in Indian Accounting Standard 7, "Statement of Cash flows.

ii) Figures in Bracket indicate cash outgo.

iii) The figures for the previous year have been regrouped in order to make them comparable with the current year figures.

For Alok Mittal & Associates
Firm Registration No. 005717N
Chartered Accountants

For and on behalf of the Board

Alok Kumar Mittal
Partner
Membership No. 071205
UDIN: 25071205BMHGJ02651

Sunil Kumar Arora
Managing Director
DIN-00150668

Sahil Arora
Whole Time Director
DIN-07970622

Place: Hosur, Tamilnadu
Date: 16.05.2025

Ayush Goel
Company Secretary
M. No. A62697

C Srinivasan
CFO

Statement of Changes in Equity

For the year ended March 31, 2025

A. EQUITY SHARE CAPITAL

Amount in ₹ lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Balances as at the beginning of the current reporting period	**1,530.00**	**1,530.00**
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	-	-
Balances as at the end of the current reporting period	1,530.00	1,530.00

B. OTHER EQUITY

Amount in ₹ lakh

Particulars	Reserves and Surplus			Total
	General Reserve#	Retained Earnings	Securities Premium Reserve^	
Balance as at Mar 31, 2023	**3,220.68**	**13,903.56**	**407.20**	**17,531.44**
Profit for the year	-	131.40	-	131.40
Previous Year Adjustment	-	5.55	-	5.55
Other comprehensive income for the year	-	-	-	-
Equity Instrument through OCI	-	7.58	-	7.58
Remeasurement of Defined Benefit Plan	-	(0.98)	-	(0.98)
Transfer from Retained Earnings to General Reserves	-	-	-	-
- Income Tax relating to Items that will not be reclassified to Profit & Loss	-	(2.58)	-	(2.58)
As at March 31, 2024	**3,220.68**	**14,044.53**	**407.20**	**17,672.41**
Profit for the year	-	(642.28)	-	(642.28)
Previous Year Adjustment	-	6.59	-	6.59
Other comprehensive income for the year	-	-	-	-
- Remeasurement of the Defined Benefit Plans to Employees	-	-	-	-
- Net change in fair values of investment in equity shares carried at fair value through OCI	-	19.22	-	19.22
- Income Tax relating to Items that will not be reclassified to Profit & Loss	-	-	-	-
As at March 31, 2025	**3,220.68**	**13,428.05**	**407.20**	**17,055.94**

Notes:

#General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General Reserve is created by the transfer from one component of equity to another and is not an item of other comprehensive income; items included in the General Reserve will not be reclassified subsequently to profit or loss.

^Securities Premium Reserve is used to record the premium on issue of shares. This is utilized in accordance with the provisions of the Companies Act, 2013.

The above statement of changes in equity should be read in conjunction with the accompanying notes.

This is the statement of changes in equity referred to in our report of even date.

For Alok Mittal & Associates
Firm Registration No. 005717N
Chartered Accountants

For and on behalf of the Board

Alok Kumar Mittal
Partner
Membership No. 071205
UDIN: 25071205BMHGJ02651

Sunil Kumar Arora
Managing Director
DIN-00150668

Sahil Arora
Whole Time Director
DIN-07970622

Ayush Goel
Company Secretary
M. No. A62697

C Srinivasan
CFO

Place: Hosur, Tamilnadu
Date: 16.05.2025

Notes to the Financial Statements

1. CORPORATE INFORMATION

Aro Granite Industries Limited incorporated on May 3, 1988 is engaged in the manufacturing and trading of Granite Slabs and Tiles. The Company is a public company listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).The registered office of the Company is in New Delhi.

The financial statements for the year ended March 31, 2025 were approved by the Board of Directors and authorized for issue on May 16, 2025.

2. SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of Preparation

(i) Compliance with Ind AS

The Financial statements (FS) of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') [Companies (Indian Accounting Standards) Rules, 2015, as amended by notification dated March 31,2016] and other provisions of the Act.

Effective April 1, 2016, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First time Adoption of Indian Accounting Standards, with April 1, 2015 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP) which was the previous GAAP.

These financial statements are authorized for issue on 31st March, 2025 in accordance with a resolution of the Board of Directors permits the revision to the financial statements after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Companies Act, 2013.

(ii) Historical Cost Convention

The Financial Statements have been prepared on a historical cost basis, except the following:

- Certain financial assets and liabilities which are measured at fair value/amortized cost.
- Defined Benefit Plans - plan assets measured at fair value.

(iii) Current v/s Non Current Classification

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

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

All other assets are classified as non-current.

A liability is 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.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities

The operating cycle is the time between the acquisition of assets for processing and its realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.2 Property, Plant & Equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are recognized in profit or loss during the reporting period, in which they are incurred.

Capital work-in-progress includes cost of property, plant and equipment under installation/under development as at the balance sheet date.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a pro-rata basis on the Straight Line method (SLM) over the estimated useful lives of assets, based on the rates prescribed under Schedule II to the Companies Act, 2013, as applicable on the last date of accounting period. The useful life of assets has been used as per Schedule - II of the companies Act 2013.

Assets	Estimated useful life (Years)
Factory Building	30
Building Other Than Factory	60
Computers	3
Plant and Machinery	15
Electrical Equipment	10
Furniture and Fixtures	10
Office Equipment	5
Vehicles	8

The property, plant and equipment acquired under finance leases and other leasehold improvements are depreciated over the assets' useful life or over the shorter of the assets' useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

The asset's useful lives and methods of depreciation are reviewed at the end of each reporting period and adjusted prospectively, if appropriate.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing net disposal proceeds with carrying amount of the asset. These are included in profit or loss within other income.

2.3 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at historical cost. Intangibles assets have a finite life and are subsequently carried at cost less any accumulated amortization.

Intangible assets with finite lives are amortized over the useful life. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

2.4 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is received. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excludes taxes/duties collected on behalf of the government.

(a) Sale of goods

Revenue from the sale of goods is recognized, when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of consideration received or receivable, net of returns and allowances, trade discounts, volume rebates. Accordingly, revenues from sale of goods are stated gross of GST, sales tax and value added tax (VAT) are not received by the company on its own account but collected on behalf of the government and accordingly, are excluded from revenue.

(b) Interest income

Interest income is recognized using the time proportion basis, based on the underlying interest rates.

(c) Rental Income

Rental income is recognized on a time-apportioned basis in accordance with the underlying substance of the relevant contract.

(d) Dividend

Dividend is recognized when the company's right to receive the payment is established, which is generally when shareholders approve the dividend.

2.5 Inventories

Inventories are valued at the lower of cost (including prime cost and other overheads incurred in bringing the inventories to their present location and condition) and net realizable value.

The comparison of cost and net realizable value is made on an item-by-item basis.

Raw materials, goods in transit, packing materials and stores and spares are valued at cost. The cost includes purchase price, inward freight and other incidental expenses net of refundable duties, levies and taxes, where applicable.

Finished goods and work-in-progress are valued at lower of cost and net realizable value. Cost is determined on the basis of actual cost and comprises material, labour and applicable overhead expenses including depreciation. The net realizable value of materials in process is determined with reference to the selling prices of related finished goods. Stores and spares are valued at cost.

Traded Goods are valued on actual cost. The cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

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

2.6 Fair Value Measurement

Accounting policies and disclosures require measurement of fair value for both financial and non-financial assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

2.7 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. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Other borrowing costs are expensed in the period in which they are incurred.

2.8 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

(a) Initial recognition and measurement:

All financial assets are recognized initially at fair value and, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

(b) Subsequent measurement:

For purposes of subsequent measurement financial assets are classified in two broad categories:

Financial assets at fair value

Financial assets at amortized cost

(c) Classification:

The Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

(d) Financial assets measured at fair value through other comprehensive income (FVTOCI):

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

(e) Financial assets measured at fair value through profit or loss (FVTPL):

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognized in profit or loss.

Financial Liabilities

(a) Initial recognition and measurement:

All financial liabilities are recognized initially at fair value and, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

(b) Classification & Subsequent measurement:

If a financial instrument that was previously recognized as a financial asset is measured at fair value through profit or loss and its fair value decreases below zero, it is a financial liability measured in accordance with Ind AS. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term.

(c) Financial liabilities measured at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. At initial recognition, such financial liabilities are recognized at fair value.

Financial liabilities at fair value through profit or loss are, at each reporting date, measured at fair value with all the changes recognized in the Statement of Profit and Loss.

Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis to realize the asset and settle the liability simultaneously.

Subsequent recoveries of amounts previously written off are credited to Other Income.

2.9 Leases

As a lessee

The Company's lease asset classes primarily consist of leases for land. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

As a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

2.10 Employee Benefit

Employee benefits include provident fund, employee state insurance scheme, gratuity, compensated absences and performance incentives.

(i) Short-term obligations

Liabilities for wages and salaries, including nonmonetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

The cost of short-term compensated absences is accounted as under:

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

(ii) Other long-term employee benefit obligations

The liabilities for compensated absences are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have

an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

Defined contribution plans:

The Company's contribution to provident fund are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plan:

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognized in the Other Comprehensive Income in the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise is amortized.

2.11 Income Taxes

Tax Expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and current tax.

Current Income Taxes

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 and rules thereunder. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in OCI or in equity).

Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. 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.

Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their book bases. Deferred tax liabilities are recognized for all temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized 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 relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. 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 pro fit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized 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 deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority. Minimum Alternate Tax ("MAT") credit is recognized as an asset only when and to the extent there is convincing evidence that the relevant members of the Company will pay normal income tax during the specified period. Such asset is reviewed at each reporting period end and the adjusted based on circumstances then prevailing.

2.12 Share Capital and Securities Premium Reserve

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Par value of the equity share is recorded as share capital and the amount received in excess of the par value is classified as securities premium reserve.

2.13 Earnings per Share

As per Ind AS 33, Earning Per Share, Basic earnings per share are computed by dividing the net profit for the year attributable to the shareholders' and weighted average number of shares outstanding during the year. The weighted average numbers of shares also includes fixed number of equity shares that are issuable on conversion of compulsorily convertible preference shares, debentures or any other instrument, from the date consideration is receivable (generally the date of their issue) of such instruments. Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

2.14 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or

less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3. PROVISIONS, CONTINGENT LIABILITIES, CONTINGENT ASSETS AND COMMITMENTS

a) General

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, the amount of a provision shall be the present value of expense expected to be required to settle the obligation Provisions are therefore discounted, when effect is material, The discount rate shall be pre-tax rate that reflects current market assessment of time value of money and risk specific to the liability. Unwinding of the discount is recognized in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

b) Contingencies

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. Information on contingent liability is disclosed in the Notes to the Financial Statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, Contingent assets are not recognized, but are disclosed in the notes. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognized as an asset.

4. SIGNIFICANT MANAGEMENT JUDGEMENT IN APPLYING ACCOUNTING POLICIES AND ESTIMATION UNCERTAINTY

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In particular, the Company has identified the following areas where significant judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the financial statements. Changes in estimates are accounted for prospectively.

a) Judgements

In the process of applying the company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

i) Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

ii) Recognition of Deferred tax Assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry-forward can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

b) Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

i) Useful lives of tangible/intangible assets

The Company reviews its estimate of the useful lives of tangible/intangible assets at each reporting date, based on the expected utility of the assets.

ii) Defined benefit obligation

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. In view of the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

iii) Inventories

The Company estimates the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date.

iv) Fair Value measurement of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets shows at cost.

NOTE 5: PROPERTY, PLANT AND EQUIPMENT

5. (A) Property, Plant and Equipment

Amount in ₹ lakh

	Plant & Equipment	Buidings	Furniture & Fixtures	Office Equipment	Vehicle	Freehold Land	Tangible Assets	Intangible Assets	Capital Work -in-Progress	Total
Gross Block										
As at April 1, 2024	**9,609.06**	**5,880.71**	**55.81**	**214.79**	**518.82**	**306.63**	**16,585.82**	**24.23**	**97.75**	**16,707.80**
Add: Addition	2.52	-	-	3.26	-	-	5.78	-	5.94	11.72
Less: Diposals/Adjustment	-	-	-	0.07	19.50	-	19.57		-	19.57
Add/Less: Change Due to Revaluation	-									
As at March 31, 2025	**9,611.58**	**5,880.71**	**55.81**	**217.98**	**499.32**	**306.63**	**16,572.03**	**24.23**	**103.68**	**16,699.95**
Accumulated Depreciation										
As at April 1, 2024	8,092.55	2,458.13	55.48	136.76	441.44	-	11,184.36	11.34	-	11,195.70
Add: Charge For the year	253.56	147.18	0.33	4.03	20.84	-	425.94	-	-	425.94
Less: Disposals/Adjustment					12.19		12.19	-	-	12.19
Add/Less: Change Due to Revaluation	-	-	-	-	-	-	-			
As at March 31, 2025	**8,346.12**	**2,605.31**	**55.81**	**140.78**	**450.09**	**-**	**11,598.11**	**11.34**	**-**	**11,609.45**
Net Block										
As at April 1, 2024	**1,516.51**	**3,422.57**	**0.33**	**78.03**	**77.38**	**306.63**	**5,401.45**	**12.89**	**97.75**	**5,512.09**
As at March 31, 2025	**1,265.46**	**3,275.39**	**0.01**	**77.20**	**49.22**	**306.63**	**4,973.92**	**12.89**	**103.68**	**5,090.50**

5. (B) Property, Plant and Equipment at Jaipur

Amount in ₹ lakh

	Plant & Equipment	Buidings	Furniture & Fixtures	Office Equipment	Vehicle	Freehold Land	Tangible Assets	Intangible Assets	Capital Work -in-Progress	Total
Gross Block										
As at April 1, 2024	**3,491.47**	**2,026.17**	**9.80**	**78.42**	**31.91**	**126.08**	**5,763.85**	**-**	**-**	**5,763.85**
Add: Addition	5.11	-	-	-	-	-	5.11	-	-	5.11
Less: Diposals	-	-	-	-	-	-	-	-	-	-
Add/Less: Change Due to Revaluation										
As at March 31, 2025	**3,496.58**	**2,026.17**	**9.80**	**78.42**	**31.91**	**126.08**	**5,768.96**	**-**	**-**	**5,768.96**
Accumulated Depreciation										
As at April 1, 2024	995.88	301.86	3.52	47.08	18.12	-	1,366.46	-	-	1,366.46
Add: Charge For the year	234.79	63.05	0.93	4.25	3.79	-	306.81	-	-	306.81
Less: Disposals	-	-	-	-	-	-	-	-	-	-
Add/Less: Change Due to Revaluation										
As at March 31, 2025	**1,230.67**	**364.91**	**4.45**	**51.34**	**21.91**	**-**	**1,673.27**	**-**	**-**	**1,673.27**
Net Block										
As at April 1, 2024	**2,495.59**	**1,724.31**	**6.28**	**31.34**	**13.79**	**126.08**	**4,397.39**	**-**	**-**	**4,397.39**
As at March 31, 2025	**2,265.91**	**1,661.26**	**5.35**	**27.08**	**10.00**	**126.08**	**4,095.67**	**-**	**-**	**4,095.69**

5. (C) Property, Plant and Equipment at Quartz Plant

Amount in ₹ lakh

	Plant & Equipment	Buidings	Furniture & Fixtures	Office Equipment	Vehicle	Freehold Land	Tangible Assets	Intangible Assets	Capital Work -in-Progress	Total
Gross Block										
As at April 1, 2024	**2,929.45**	**1,865.04**	**16.72**	**0.96**	**-**	**-**	**4,812.17**	**-**	**-**	**4,812.17**
Add: Addition	-	22.92	5.20	-	-	-	28.12	-	-	28.12
Less: Diposals	-	-	-	-	-	-	-	-	-	-
Add/Less: Change Due to Revaluation										
As at March 31, 2025	**2,929.45**	**1,887.96**	**21.92**	**0.96**	**-**	**-**	**4,840.30**	**-**	**-**	**4,840.30**
Accumulated Depreciation										
As at April 1, 2024	601.71	190.94	4.25	0.94	-	-	797.84		-	797.84
Add: Charge For the year	190.62	59.18	2.03	-	-	-	251.83	-	-	251.83
Less: Disposals	-	-	-	-	-	-	-	-	-	-
Add/Less: Change Due to Revaluation	-	-	-	-	-	-	-	-	-	-
As at March 31, 2025	792.34	250.12	6.27	0.94	-	-	1,049.67		-	1,049.67
Net Block										
As at April 1, 2024	**2,327.74**	**1,674.10**	**12.48**	**0.02**	**-**	**-**	**4,014.34**	**-**	**-**	**4,014.34**
As at March 31, 2025	**2,137.11**	**1,637.84**	**15.65**	**0.02**	**-**	**-**	**3,790.63**	**-**	**-**	**3,790.63**
GROSS TOTAL (A+B+C) As at March 31, 2024	6,339.83	6,820.99	19.08	109.39	91.17	432.71	13,813.18	12.89	97.75	13,923.79
GROSS TOTAL (A+B+C) As at March 31, 2025	5,668.49	6,574.49	21.00	104.29	59.23	432.71	12,860.20	12.89	103.68	12,976.81

SEGMENT WISE REVENUE, ASSETS & LIABILITY

Amount in ₹ lakh

Particulars			QUARTZ DIVISION	GRANITES DIVISION	Total	Unallocable	Grand Total
(1)	**Revenue from Operations**						
	Domestic Sales		-	1,278.44	1,278.44	-	1,278.44
	Export Sale		3,913.61	7,116.99	11,030.60	-	11,030.60
	Misc. Income		32.83	933.00	965.82	-	965.82
	Grand Total		**3,946.44**	**9,328.43**	**13,274.87**	**-**	**13,274.87**
(2)	**Expenses**						
	(i)	RM Consumption					
		Opening Stock	153.51	1,848.54	2,002.05	-	2,002.05
		Purchase	2,412.36	2,420.58	4,832.94	-	4,832.94
			2,565.87	4,269.12	6,834.99	-	6,834.99
		Closing Stock	(160.01)	(1,649.57)	(1,809.58)	-	(1,809.58)
			2,405.86	**2,619.55**	**5,025.41**	**-**	**5,025.41**
	(ii)	Consumption of Packing Material					
		Opening Stock	2.49	116.25	118.73	-	118.73
		Purchase	64.23	279.39	343.62	-	343.62
			66.72	395.63	462.35	-	462.35
		Closing Stock	(1.22)	(76.07)	(77.29)	-	(77.29)
			65.50	**319.56**	**385.06**	**-**	**385.06**
	(iii)	Consumption of Consumable		-			
		Opening Stock	305.48	946.31	1,251.79	-	1,251.79
		Purchase	229.73	1,051.05	1,280.78	-	1,280.78
			535.21	1,997.36	2,532.57	-	2,532.57
		Closing Stock	(248.68)	(1,505.44)	(1,754.12)	-	(1,754.12)
			286.53	**491.92**	**778.46**	**-**	**778.46**
	(iv)	Consumption of Store and Spares		-			
		Opening Stock	53.79	895.75	949.54	-	949.54
		Purchase	34.70	147.56	182.27	-	182.27
			88.49	1,043.31	1,131.81	-	1,131.81
		Closing Stock	(68.63)	(865.83)	(934.46)	-	(934.46)
			19.86	**177.49**	**197.35**	**-**	**197.35**
	(v)	Purchase of Stock In Trade	**-**	**633.32**	**633.32**	**-**	**633.32**
	(vi)	Changes of Inventory in Finished Goods and Work-In-Process	**11.38**	**155.76**	**167.14**	**-**	**167.14**
	(vii)	Finance Cost	**385.51**	**901.81**	**1,287.32**	**-**	**1,287.32**
	(viii)	Depreciation	**251.83**	**742.29**	**994.12**	**-**	**994.12**

SEGMENT WISE REVENUE, ASSETS & LIABILITY (Contd.)

Amount in ₹ lakh

Particulars		QUARTZ DIVISION	GRANITES DIVISION	Total	Unallocable	Grand Total
(ix)	Employee Benefit Expenses		-			
	Salaries, Wages & Bonus	193.09	981.93	1,175.02	-	1,175.02
	Contribution to provident and other funds	4.39	57.21	61.60	-	61.60
	Gratuity	-	18.78	18.78	-	18.78
	Compensated Absences	-	6.32	6.32	-	6.32
	Staff welfare expenses	55.63	162.35	217.98	-	217.98
		253.11	**1,226.59**	**1,479.70**	**-**	**1,479.70**
(x)	Other Expenses					
	Advertisement & Publicity	-	4.50	4.50	-	4.50
	Auditors Remuneration		-			
	- Auditor's Fee	-	10.00	10.00	-	10.00
	CSR Activity Expenses	-	49.64	49.64	-	49.64
	Donation	-	0.12	0.12	-	0.12
	Freight and Forwarding Charges	174.22	480.81	655.03	-	655.03
	Insurance Expenses	35.15	100.44	135.59	-	135.59
	Loss on Exchange Fluctuation	-	-	-	-	-
	Loss on Sale of Assets	-	6.97	6.97		6.97
	Legal Expenses	-	2.45	2.45	-	2.45
	Membership & Subscription	-	3.61	3.61	-	3.61
	Miscellaneous Expenses	0.26	23.18	23.45	-	23.45
	Other Manufacturing Expenses	127.05	350.68	477.73	-	477.73
	Printing & Stationery	5.71	8.33	14.04	-	14.04
	Rent Expenses	-	14.16	14.16		14.16
	Power & Fuel	218.71	509.39	728.10	-	728.10
	Professional Service Charges	20.10	54.94	75.04	-	75.04
	Rates & Taxes	9.45	19.73	29.19	-	29.19
	Custom Duty on Domestic Sales	-	23.08	23.08	-	23.08
	Rebate & Discount	19.13	24.32	43.45	-	43.45
	Repairs to Buildings	-	146.23	146.23	-	146.23
	Repair to Plant & Machinery	93.06	137.27	230.33	-	230.33
	Repair & Maintenance		-			
	- Electricals	-	0.68	0.68	-	0.68
	- Vehicles	-	77.56	77.56	-	77.56
	- Others	-	11.57	11.57	-	11.57
	Sales Promotion	23.10	59.17	82.27	-	82.27
	Telephone & Telex	4.77	15.39	20.16	-	20.16
	Travelling & Conveyance		-			
	- Employees (Foreign Travel - NIL)	18.67	73.43	92.10	-	92.10
	(P.Y. NIL)		-			
	- Director (Foreign Travel - NIL	-	47.12	47.12	-	47.12
	(P.Y. NIL)					
		749.39	**2,262.78**	**3,012.17**	**-**	**3,012.17**
Total Cost		**4,428.97**	**9,531.07**	**13,960.04**	**-**	**13,960.04**

SEGMENT WISE REVENUE, ASSETS & LIABILITY (Contd.)

Amount in ₹ lakh

Particulars		QUARTZ DIVISION	GRANITES DIVISION	Total	Unallocable	Grand Total
(3)	Profit Before Tax	(482.53)	(202.64)	(685.17)	-	(685.17)
(4)	Segment Assets					
	Property, Plant and Equipment	3,790.62	9,069.61	12,860.23	-	12,860.23
	Capital Work-in-Progress	-	103.69	103.69	-	103.69
	Intangible Assets	-	12.89	12.89	-	12.89
	Right of Use Asset	-	1,037.13	1,037.13	-	1,037.13
	Financial assets					
	(a) Investments	-	42.05	42.05	-	42.05
	(b) Other financial asset	-	201.24	201.24	-	201.24
	Other non current assets	-	-	-	-	-
	Current Assets					
	Inventories	1,489.11	19,932.26	21,421.37		21,421.37
	Financial Assets					
	(a) Investments	-	45.67	45.67	-	45.67
	(b) Trade Receivables	703.88	2,778.34	3,482.22	-	3,482.22
	(c) Cash and Cash Equivalent	0.00	56.84	56.84	-	56.84
	(d) Bank balances other than (c) above	-	783.39	783.39	-	783.39
	(e) Loans	-	2.15	2.15	-	2.15
	Other current assets	27.31	1,897.89	1,925.21	-	1,925.21
	Total	6,010.92	35,963.14	41,974.07	-	41,974.07
	Less: Transfer from Inter Segment	(4,560.93)	4,560.93	-	-	-
	Total Assets	**1,449.99**	**40,524.07**	**41,974.07**	**-**	**41,974.07**
(5)	Segment Liabilities					
	Non-current Liabilities					
	Financial Liabilities					
	(a) Borrowings	461.53	2,375.44	2,836.97	-	2,836.97
	Provisions	-	224.15	224.15	-	224.15
	Deferred Tax Liabilities (Net)	414.39	880.28	1,294.67	-	1,294.67
	Current Liabilities					
	Financial Liabilities					
	(a) Borrowings	307.69	12,819.97	13,127.67	-	13,127.67
	(b) Trade Payables	1,517.77	3,382.18	4,899.96	-	4,899.96
	(c) Other Financial Liabilities	17.60	374.04	391.64	-	391.64
	Provisions	-	83.33	83.33	-	83.33
	Other Current Liabilities	32.41	497.33	529.74	-	529.74
	Total Liabilities	**2,751.40**	**20,636.73**	**23,388.13**	**-**	**23,388.13**

NOTE 6: RIGHT TO USE ASSET

Amount in ₹ lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Land		
Opening Balance	1,046.67	1,056.22
Reclassified on adoption of Ind AS 116	-	-
Additions	-	-
Deductions	-	-
Depreciation/Amortisation	9.54	9.55
Balance as at June 30, 2023	**1,037.13**	**1,046.67**

NOTE 7:

(a) Investments

Amount in ₹ lakh

Particulars	Paid Up Value	As at March 31, 2025		As at March 31, 2024	
		Number of Shares	Amount	Number of Shares	Amount
Investment in Equity Instruments at FVOCI					
Tulip Renewable Powertech Pvt Ltd	10 each	4,20,525	42.05	4,20,525	42.05
		4,20,525	**42.05**	**4,20,525**	**42.05**

* (The company has made investment in TRPL in line of agreement and the investment has been taken at cost i.e face value of equity share)

(b) Other Financial Assets

Amount in ₹ lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Security Deposits	201.24	176.50
Total	**201.24**	**176.50**

NOTE 8: OTHER NON CURRENT ASSETS

Amount in ₹ lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good:		
Capital Advances	-	14.17
Total	**-**	**14.17**

NOTE 9: INVENTORIES

Amount in ₹ lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Raw Materials	1,809.58	2,002.05
Finished Goods	15,689.42	15,876.69
Semi Finished Goods	1,156.50	1,136.37
Packing Materials	77.29	118.73
Stores and Spares	934.46	949.54
Consumables	1,754.12	1,251.79
Total	**21,421.37**	**21,335.17**

NOTE 10:

(a) Investments

Amount in ₹ lakh

Particulars	Paid Up Value	As at March 31, 2025		As at March 31, 2024	
		No. of Shares	Amount	No. of Shares	Amount
Investment in Equity Instruments					
I. Quoted- Others (at fair value through OCI)					
Bank of Baroda	2 each	5980	13.67	5,980	15.80
Pokerna Limited	2 each	2500	32.00	2,500	10.65
			45.67		**26.45**

(b) Trade Receivables

Amount in ₹ lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Trade Receivable Considered Good-Secured	-	-
Trade Receivable Considered Good-Unsecured	3,482.22	4,958.02
Trade Receivable which have significant increase in credit risk	-	-
Trade Receivable -Credit Impaired	-	-
Total	**3,482.22**	**4,958.02**

Details of related parties included in Trade Receivables disclosed at Note No-40 "Related Party Transactions"

Amount in ₹ lakh

Particulars		As at March 31, 2025	As at March 31, 2024
Trade Receivables (Debtors) ageing Schedule:			
Outstanding for following periods from due date of payment			
(i)	**Undisputed Trade Receivables - Considered Good**		
	Less than 6 Months	2,478.87	3,686.20
	6 Months - 1 Years	101.59	248.47
	1-2 Years	103.44	395.32
	2-3 Years	153.99	35.74
	More than 3 Years	644.32	592.29
	Total	**3,482.22**	**4,958.02**
(ii)	**Undisputed Trade Receivable - which have significant increase in credit risk**		
	Less than 6 Months	-	-
	6 Months - 1 Years	-	-
	1-2 Years	-	-
	2-3 Years	-	-
	More than 3 Years	-	-
	Total	**-**	**-**
(iii)	**Undisputed Trade Receivables - credit impaired**		
	Less than 6 Months	-	-
	6 Months - 1 Years	-	-
	1-2 Years	-	-
	2-3 Years	-	-
	More than 3 Years	-	-

(b) Trade Receivables(Contd.)

Amount in ₹ lakh

Particulars		As at March 31, 2025	As at March 31, 2024
	Total	**-**	**-**
(iv)	**Disputed Trade Receivables - considered good**		
	Less than 6 Months	-	-
	6 Months - 1 Years	-	-
	1-2 Years	-	-
	2-3 Years	-	-
	More than 3 Years	-	-
	Total	**-**	**-**
(v)	**Disputed Trade Receivables - which have significant increase in credit risk**		
	Less than 6 Months	-	-
	6 Months - 1 Years	-	-
	1-2 Years	-	-
	2-3 Years	-	-
	More than 3 Years	-	-
	Total	**-**	**-**
(vi)	**Disputed Trade Receivables - credit impaired**		
	Less than 6 Months	-	-
	6 Months - 1 Years	-	-
	1-2 Years	-	-
	2-3 Years	-	-
	More than 3 Years	-	-
	Total	**-**	**-**

(c) Cash & Cash Equivalents

Amount in ₹ lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with Banks		
- In Current Account	51.54	71.62
Cash in Hand	5.30	3.29
Total	**56.84**	**74.91**

(d) Earmarked Balances with Bank

Amount in ₹ lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Unclaimed dividend deposited in Bank	6.73	6.73
Total	**6.73**	**6.73**

(e) Bank Balances other than Cash & Cash Equivalents

Amount in ₹ lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Balances in fixed deposit accounts with original maturity more than 3 monthsbut less than 12 months	485.45	530.45
Balances in fixed deposit accounts with original maturity more than 12 months	-	-
Balances with the Banks to the extent held as margin money or security against the borrowings, guarantees & other commitments	291.21	258.29
Total	**776.66**	**788.74**

(f) Loans

Amount in ₹ lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good:		
Loan to Employees	2.15	2.99
Total	**2.15**	**2.99**

NOTE 11: OTHER CURRENT ASSETS

Amount in ₹ lakh

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Advance other Than Capital Advance		
Advance to Suppliers	355.30	473.57
Other Advances	-	-
(ii) Others		
Prepaid Expenses	222.48	129.60
Branch/Divisions	-	-
Indirect Tax Balances/recoverable/credits	851.78	951.23
Income Tax Receivables	26.00	26.00
MAT Credit Entitlement	466.88	466.88
Total	**1,922.45**	**2,047.28**

NOTE 12: EQUITY SHARE CAPITAL

Amount in ₹ lakh

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of Shares	Amount	Number of Shares	Amount
(a) Authorised:				
Equity shares of the par value of ₹ 10/- each	1,96,00,000	1,960	1,96,00,000	1,960
40,000, 10% Convertible Cumulative Preference Shares (CCPS) of ₹ 100 each (PY 40,000 CCPS)	40,000	40	40,000	40
	1,96,40,000	**2,000**	**1,96,40,000**	**2,000**
(b) Issued and subscribed:				
Outstanding at the end of the year	1,53,00,000	1,530	1,53,00,000	1,530
	1,53,00,000	**1,530**	**1,53,00,000**	**1,530**

a) Reconciliation of Number of Shares

Amount in ₹ lakh

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of Shares	Amount	Number of Shares	Amount
Balance as at the beginning of the year	1,53,00,000	1,530	1,53,00,000	1,530
Additions during the year	-	-	-	-
Deletion during the year	-	-	-	-
Balance as at the end of the year	**1,53,00,000**	**1,530**	**1,53,00,000**	**1,530**

b) Shares held by promoters at the year ended March 31, 2025:

Name of Promoter's	No. of Shares	% of total shares	% Change during the Quarter
1. Sunil Kumar Arora	48,87,540	31.94%	NIL
2. Sujata Arora	6,01,372	3.93%	NIL
3. Aman Arora	33	0.01%	NIL
4. Geeti Arora	1,353	0.01%	NIL
5. Ravi Kumar Arora	1,383	0.01%	NIL
6. Sahil Arora	3,03,688	1.98%	NIL
7. Shivani Aggarwal	3,03,687	1.98%	NIL
8. Sudarshan Arora	1,86,603	1.22%	NIL
Total	**62,85,656**	**41.08%**	**NIL**

c) Rights, preferences and restrictions attached to equity shares:

The Company has a single class of equity shares. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

d) Shareholders holding more than 5% share in the company are set out below:

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of Shares	% of Shares	Number of Shares	% of Shares
Sunil Kumar Arora	48,87,540	31.94	48,87,540	31.94

NOTE 13: OTHER EQUITY

Amount in ₹ lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Retained earnings	14,051.12	13,909.08
General Reserve	3,220.68	3,220.68
Securities premium account	407.20	407.20
Profit for the year	(642.28)	131.40
Other comprehensive income	19.22	4.02
Total	**17,055.94**	**17,672.41**

NOTE 14: BORROWINGS

Amount in ₹ lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Secured		
Term Loan from Banks	4,206.33	6,010.20
Less: Current Maturities of Long Term Debt	1,369.36	1,369.36
Total	**2,836.97**	**4,640.84**

Description of Loans

Amount in ₹ lakh

Particulars	Term of Repayment	As at March 31, 2025	As at March 31, 2024
FCNRB - BOB A/C NO. 21000600000882	Quarterly	1,212.10	1,658.27
HDFC Bank Term Loan	Quarterly	769.22	1,076.91
Loan under GECL HDFC Bank Ltd	Monthly	650.00	800.00
Loan under BGECL Bank of Baroda	Monthly	1,575.00	2,475.00
		4,206.33	**6,010.18**

Description of Loan Secured *Note: Secured Loans*	
Term Loan (FCNR B) for Jaipur Unit	1. Exclusive charge on entire fixed assets of the Company proposed to be created out of the term loan. 2. Extension of First Charge over entire fixed assets of the Company, both present and future including land & building at Nallaganakothapalli village in Hosur Taluk, Krishnagiri District, Tamil Nadu and Land & Building at Kamandoddi Village, Hosur which has been provided as collateral security. 3. Charge on Debt Service Reserve Account (DSRA) to be maintained for one quarter interest and one installment of the facility.
Working Capital	1. 1st Pari-Passu Charge on Entire Current Assets of the company. 2. Extension of charge over entire fixed assets of the company, both present and future including land and building at Nallaganakothapalli village in Hosur Taluk, Krishnagiri District at Kamandoddi Village, Hosur, Tamil Nadu.
All Facllities	1. First charge on the property in the name of the Company measuring 10.41 acres situated at Kamandoddi Village, Hosur Taluk, DistrictShoolagiri. 2. EM of Office premises at 1001, 10th Floor, DLF Tower A, Jasola, New Delhi. 3. Pledge of FDR equivalent to 10% of FBP limit in lieu of the waiver of buyer-wise ECGC cover. 4. Cash margin on BG and LC. 5. Personal Guarantee of Mr. Sunil Kumar Arora, Ms. Sujata Arora and Mr. Sahil Arora.
BGECL of ₹ 24.00 Crores	Loans under the scheme shall rank 1st charge on the assets financed under the Scheme and second charge with the existing credit facilities in terms of cash flows (including repayments) and security.
GECL of ₹ 12.00 Crores	1. Credit under the Scheme will second charge with the existing credit facilities in terms of cash flows (including repayments) and securities, with charge on the assets financed under the scheme to be created on or before 30.06.2022 or date of NPA, whichever is earlier. 2. Existing primary/collateral securities would be extended to cover the BGECLS 2.0 (Extension) facility. 3. Time period allowed for Security Perfection, i.e. ROC/CERSAI registration and any other formalities for charge creation/extension to be completed within a period of 3 months from the date of disbursal or up to 30.06.2022 or date on which account turns NPA, whichever is earlier.
HDFC Bank Limited: Term Loan for Quartz Plant of ₹ 20,00,00,000	**Primary:** 1. Second Pari-passu charge on all the Land & Building of the company at i) Hosur - 2 locations (35 acres Land & Building at Nallagothpalli Village, Koneripalli Panchayat and a 10.41 acres land at Kamanadoddi Village) and ii) 1 unit at Jaipur, Rajasthan. Containing a value of 788.1 Mn. 2. Exclusive Charge on the Entire Movable Fixed Assets of the Proposed Quartz unit, both present and future. **Secondary:** 1. Personal Guarantees of Promoters - Mr. Sunil Kumar Arora, Mr. Sahil Arora and Mrs. Sujata Arora.
HDFC Bank Limited: Export Credit/Pre- Post Shipment for Working Capital Purposes for ₹ 20,00,00,000/-	**Primary:** 1. First Pari-passu charge on the entire Current Asset of the company, both present and future. **Secondary:** 1. Second Pari-passu charge on all the Land & Building of the company at i) Hosur - 2 locations (35 acres Land&Building at Nallagothpalli Village, Koneripalli Panchayat and a 10.41 acres land at Kamanadoddi Village) and ii) 1 unit at Jaipur, Rajasthan (Mahindra SEZ) 2. Extention of First Charge on the Entire Movable Fixed Assets of the Proposed Quartz unit. 3. Personal Guarantees of Promoters - Mr. Sunil Kumar Arora), Mr. Sahil Arora and Mrs. Sujata Arora.
HDFC Bank Limited: Guaranteed Emergency Credit Line (GECL) for ₹ 8,00,00,000/-	Extention of second ranking charge over existing primaty and collateral securities including mortgage created in favour of the Bank.

NOTE 15: PROVISIONS

Amount in ₹ lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Provision For Leave Encashment	13.63	19.39
Provision for Gratuity	210.52	209.81
Total	**224.15**	**229.20**

NOTE 16: DEFERRED TAX ASSETS/LIABILITIES (NET)

Amount in ₹ lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred Tax Assets		
Provision for Gratuity & Leave Encashment	(78.45)	(79.85)
OCI Adjustments	-	-
	(78.45)	(79.85)
Deferred Tax Liabilities		
Depreciation	1,373.12	1,416.44
OCI Adjustments	-	0.95
	1,294.67	1,337.54
Deferred Tax Assets (Net)	**-**	**-**
Deferred Tax Liabilities (Net)	**1,294.67**	**1,337.54**

NOTE 17: BORROWINGS

Amount in ₹ lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Secured		
Loan repayable on demand from Banks	9,437.63	11,302.82
Current Maturities of Long Term Debts	1,369.36	1,369.36
Unsecured		
Loan From Directors	2,320.68	1,561.67
Total	**13,127.67**	**14,233.85**

NOTE 18: TRADE PAYABLES

Amount in ₹ lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues to Micro, Small and Medium Enterprises	332.08	360.21
Total outstanding dues to other than Micro, Small and Medium Enterprises	4,567.88	3,661.20
Total	**4,899.96**	**4,021.41**
Trade Payable (Creditors) ageing Schedule:		
(i) MSME		
Less than 1 Year	332.08	360.21
1-2 Years	-	-
2-3 Years	-	-
More than 3 Years	-	-
Total	**332.08**	**360.21**
(ii) Others		
Less than 1 Year	4,567.88	3,109.72
1-2 Years	-	551.48
2-3 Years	-	-
More than 3 Years	-	-
Total	**4,567.88**	**3,661.20**

NOTE 18: TRADE PAYABLES (Contd.)

Amount in ₹ lakh

Particulars		As at March 31, 2025	As at March 31, 2024
(iii)	Disputed dues - MSME		
	Less than 1 Year	-	-
	1-2 Years	-	-
	2-3 Years	-	-
	More than 3 Years	-	-
	Total	**-**	**-**
(iv)	Disputed dues - Others		
	Less than 1 Year	-	-
	1-2 Years	-	-
	2-3 Years	-	-
	More than 3 Years	-	-
	Total	**-**	**-**

NOTE 19: OTHER FINANCIAL LIABILITIES

Amount in ₹ lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Contribution to PF & ESI	7.09	8.97
Salary & Wages Payable	52.11	15.61
Expenses Payable	219.26	224.05
Book Overdraft with Bank	-	-
Audit Fees Payable	9.00	9.00
Interest Payable	46.05	93.27
Capital Creditors	51.36	39.51
Unclaimed Dividend	6.77	6.77
Total	**391.64**	**397.18**

NOTE 20: OTHER CURRENT LIABILITIES

Amount in ₹ lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Advances from customers	296.48	74.85
Statutory liabilities	233.26	184.71
Total	**529.74**	**259.56**

NOTE 21: PROVISIONS

Amount in ₹ lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Gratuity	76.44	76.44
Provision for Compensated Absences	6.89	6.89
Total	**83.33**	**83.33**

NOTE 22: CURRENT TAX ASSETS/LIABILITIES (NET)

Amount in ₹ lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Add: Provision for Tax (Current Period)	-	56.80
Less: Advance Tax & TDS	2.76	3.13
Current Tax Liabilities (Net)	**-**	**53.67**
Current Tax Assets (Net)	**2.76**	**-**

NOTE 23: REVENUE FROM OPERATIONS

Amount in ₹ lakh

Particulars	For the year ended March 31, 2025	For the Year ended March 31, 2024
Sale of Products		
Finished Goods:		
Outside India	11,030.60	14,058.56
within India	1,278.44	1,450.92
Total Sales	**12,309.05**	**15,509.48**

NOTE 24: OTHER INCOME

Amount in ₹ lakh

Particulars	For the year ended March 31, 2025	For the Year ended March 31, 2024
Interest Income earned on financial assets that are not designated as at FVTPL		
Bank & Financial Institutions Deposits	40.61	19.32
Other Income		
Gain on exchange fluctuation	844.24	3.58
Misc. Income	80.97	14.85
Total	**965.82**	**37.75**

NOTE 25: COST OF MATERIALS CONSUMED

Amount in ₹ lakh

Particulars	For the year ended March 31, 2025	For the Year ended March 31, 2024
(A) Raw Material Consumption		
Opening Stock of Raw Material	2,002.05	1,587.81
Add: Purchases of Raw Material	4,832.94	6,167.48
Less: Closing Stock of Raw Material	(1,809.58)	(2,002.05)
Total (A)	**5,025.41**	**5,753.24**
(B) Packing Material Consumption		
Opening Stock of Packing Material	118.73	76.20
Add: Purchases of Packing Material	343.62	452.67
Less: Closing Stock of Packing Material	(77.29)	(118.73)
Total (B)	**385.06**	**410.14**
(C) Consumable Consumption		
Opening Stock of Consumable	1,251.79	1,546.55
Add: Purchases of Consumable	1,280.78	1,867.97
Less: Closing Stock of Consumable	(1,754.12)	(1,251.79)
Total (C)	**778.46**	**2,162.73**
Total (A+B+C)	**6,188.93**	**8,326.11**

NOTE 26: CHANGES IN INVENTORIES OF FINISHED GOODS, WIP & STOCK IN TRADE

Amount in ₹ lakh

Particulars	For the year ended March 31, 2025	For the Year ended March 31, 2024
Opening Stock		
Finished/Semi Finished Goods	17,013.06	15,805.28
(A)	**17,013.06**	**15,805.28**
Closing Stock		
Finished/Semi Finished Goods	16,845.92	17,013.06
(B)	**16,845.92**	**17,013.06**
Total (A-B)	**167.14**	**(1,207.78)**

NOTE 27: EMPLOYEE BENEFIT EXPENSES

Amount in ₹ lakh

Particulars	For the year ended March 31, 2025	For the Year ended March 31, 2024
Salaries, Wages & Bonus	1,175.02	1,227.14
Contribution to provident and other funds	61.60	62.37
Gratuity	18.78	36.84
Compensated Absences	6.32	2.79
Staff welfare expenses	217.98	258.93
Total	**1,479.70**	**1,588.07**

During the Year, the Company recognized an amount of ₹ 241.82 lakh (Year ended March 31, 2024 ₹ 241.15 lakh) as remuneration to key managerial personnel. The details of such remuneration is as below:

Amount in ₹ lakh

Particulars	For the year ended March 31, 2025	For the Year ended March 31, 2024
- Short term employee benefits	241.82	241.15
- Post employment benefits	-	-
Total	**241.82**	**241.15**

NOTE 28: FINANCIAL COSTS

Amount in ₹ lakh

Particulars	For the year ended March 31, 2025	For the Year ended March 31, 2024
Interest expense:		
Bank Charges & Interest	37.79	72.86
Interest on Unsecured Loans	103.62	50.45
Interest on Term Loan	451.86	559.43
Packing Credit	600.79	801.65
Foreign Bills Discounted/Purchases	93.26	126.52
Total	**1,287.32**	**1,610.91**

NOTE 29: DEPRECIATION AND AMORTIZATION

Amount in ₹ lakh

Particulars	For the year ended March 31, 2025	For the Year ended March 31, 2024
Tangible assets	984.58	1,162.74
ROU Asset Amortisation	9.54	9.54
Total	**994.12**	**1,172.28**

NOTE 30: OTHER EXPENSES

Amount in ₹ lakh

Particulars	For the year ended March 31, 2025	For the Year ended March 31, 2024
Advertisement & Publicity	4.50	2.22
Auditors Remuneration		
- Statutory Audit Fees	6.70	6.70
- Tax Audit Fees	3.30	3.30
Bad Debts W/off	8.02	-
CSR Activity Expenses	49.64	16.14
Donation	0.12	0.67
Freight and Forwarding Charges	655.03	684.12
Insurance Expenses	135.59	83.95
Loss on Exchange Fluctuation	-	-
Loss on Sale of Assets	6.97	-
Legal Expenses	2.45	10.04
Membership & Subscription	3.61	5.85
Miscellaneous Expenses	23.45	5.79
Other Manufacturing Expenses	477.73	496.12
Printing & Stationery	14.04	15.10
Rent Expenses	14.16	-
Power & Fuel	728.10	835.07
Professional Service Charges	75.04	42.85
Rates & Taxes	29.19	53.65
Custom Duty on Domestic Sales	23.08	16.86
Rebate & Discount	43.45	90.02
Repairs to Buildings	146.23	188.87
Repair to Plant & Machinery	230.33	280.24
Repair & Maintenance		
- Electricals	0.68	2.67
- Vehicles	77.56	81.00
- Others	11.57	15.22
Sales Promotion	82.27	159.29
Stores & Spares Consumptions	197.35	161.30
Telephone & Telex	20.16	22.86
Travelling & Conveyance		
- Employees (Foreign Travel - NIL) (P.Y. NIL)	92.10	117.53
- Director (Foreign Travel - 20.66 lakh) (P.Y. 67.74 lakh)	47.12	67.74
Total	**3,209.51**	**3,465.17**

NOTE 31: TAX EXPENSES

Amount in ₹ lakh

Particulars	For the year ended March 31, 2025	For the Year ended March 31, 2024
Income Tax		
Current Tax on profits for the year	-	56.80
MAT Credit Entitlement	-	(56.80)
Total current tax expense (A)	**-**	**-**
Deferred Tax		
(Decrease)/increase in deferred tax liabilities	(42.89)	208.84
Total deferred tax expense/(benefit) (B)	**(42.89)**	**208.84**
Total	**(42.89)**	**208.84**
The reconcilliation of estimated income tax to income tax expenses is as below:		
Profit before tax as per standalone statement of profit and loss	(685.17)	340.24
Income calculated as per MAT of 17.472% (March 31, 2025: 17.472%)	-	56.80
Adjustment	-	-
Tax Expenses Reported	-	56.80

NOTE 32: EARNINGS PER SHARE

Amount in ₹ lakh

Particulars		For the year ended March 31, 2025	For the Year ended March 31, 2024
a)	**Basic**		
	Net Profit after Tax attributable to shareholders (₹ in lakh)	(623.06)	135.42
	Basic Earnings per share of ₹ 10/- each (March 31, 2025: ₹ 10/- each)	(4.07)	0.89
b)	**Diluted**		
	Net Profit after Tax attributable to shareholders (₹ in lakh)	(623.06)	135.42
	Weighted Average number of equity shares of ₹ 10/- each (March 31, 2025: ₹ 10/- each) outstanding at the end of the year (Figures in lakhs)	153.00	153.00
	Diluted Earnings Per share of ₹ 10/- each (March 31, 2025: ₹ 10/- each)	(4.07)	0.89

The company does not have any potential equity shares and thus, weighted average number of shares for computation of basic EPS and diluted EPS remains same.

NOTE 33: TRANSITION TO IND AS 116

As a lessee The Company's lease asset classes primarily consist of leases for land. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases.

The following is the summary of practical expedients elected on initial application:

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date;
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application;
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

Following are the changes in the carrying value of right of use assets for the Year ended March 31, 2025:

Amount in ₹ lakh

Particulars	Category of ROU Asset - Land	Total
Balance as at April 1, 2024	1,046.67	1,046.67
Additions	-	-
Deletions	-	-
Depreciation	9.54	9.54
Balance as at March 31, 2025	1,037.13	1,037.13

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

NOTE 34: PAYABLE TO MSME

Based on the details regarding the status of the supplier obtained by the company, their amount payable to the supplier covered under the Micro, Small and Medium Enterprises Development Act, 2006 (the Act) has been paid within 45 days. This has been relied upon by the auditor.

NOTE 35: SEGMENT INFORMATION

The Company is engaged in the business of two segments i.e. 1) Manufacturing of Engineered Quartz Stone Slabs and 2) manufacturing of Natural Stone Granites Slab and Tiles. Information is reported to and evaluated regularly by the Coperational Decision Maker (CODM) i.e. Managing Director for the purpose of resource allocation and assessing performance focuses on the business as whole. The CODM reviews the Company's performance focuses on the analysis of profit before tax at an overall entity level.

NOTE 36: CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility (CSR) obligation for the year as computed by the Company and relied upon by the auditors is ₹ 5.51 lakh for the period ended March 31, 2025 (for the year ended March 31, 2024: ₹ 12.61 lakh).

	Additional Disclosures:	Amount (in lakh)
(1)	Amount required to be spent by the company during the year	5.51
(2)	Amount of expenditure incurred	49.64
(3)	Shortfall at the end of the year pertaining to FY 2024-2025	NIL
(4)	Total of previous years shortfall	NIL
(5)	Reason for shortfall	NA
(6)	Nature of CSR activities: Providing healthcare services for Community near Factory Premises	
(7)	Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	₹ 49.64 lakh Tranferred to ARO CHARITABLE TRUST
(8)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	NIL

NOTE 37: EMPLOYEE BENEFITS PLAN

a. General description of the employee Benefit Plan

The company has an obligation towards gratuity, unfunded defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of the employment of an amount equivalent to 15 days/one month salary, as applicable, payable for each completed year of service or part thereof in excess of six months in terms of Gratuity scheme of the company or as per payment of Gratuity Act, whichever is higher. Vesting occurs upon completion of five years of service.

b. Plan typically exposes the company to actuarial risks such as:

investment risks, interest rate risk, longevity risk and salary risk

Investment Risk

The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount risk which is determined by reference to market yields at the end of the reporting period on government bonds. Currently, for the plan in India, it has relatively balanced mix of investments in Insurance related products.

Interest Rate Risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt.

Longevity Risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary Risk

The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to the employees.

In respect of the plan in India, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at the end of March 31, 2025 by an actuary. The present value of the defined benefit obligation were carried out as at March 31, 2025 by an actuary. The present value of the defined benefit obligation, and the related current service cost and the past service cost, were measured using the projected unit credit method.

Details of defined benefit plan -As per Actuarial valuation are as follows:

Defined Contribution Plans

The Company has a defined contribution plan in respect of provident fund. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the Government. The obligation of the group is limited to the amount contributed and it has no further contractual nor any constructive obligation.

During the year, the Company has recognized the following amounts towards defined contribution plan in the Statement of Profit and Loss:

Amount in ₹ lakh

Particulars	For the year ended March 31, 2025	For the Year ended March 31, 2024
Employer's Contribution to Provident Fund	61.60	62.37

Included in 'Contribution to provident and other funds' under Employee Benefits Expense (Refer Note 27).

(i) Change in present value of obligation Gratuity

Amount in ₹ lakh

Particulars	For the year ended March 31, 2025	For the Year ended March 31, 2024
Present value of obligation as at the beginning of the period	273.89	273.89
Acquisition adjustment	-	-
Interest cost	20.54	20.54
Service cost	17.97	17.97
Past service cost including curtailment Gains/Losses	-	-
Benefits paid	(16.00)	(16.00)
Total Actuarial (Gain)/Loss on obligation	(10.15)	(10.15)
Present value of obligation as at the end of period	286.25	286.25

(ii) Liabilities recognized in the Balance Sheet

Amount in ₹ lakh

Particulars	For the year ended March 31, 2025	For the Year ended March 31, 2024
Net defined benefit liability at the start of the period	286.25	273.89
Acquisition Adjustment	-	-
Total Service Cost	17.97	17.97
Net Interest cost (Income)	20.54	20.54
Re-measurements	-	-
Contribution paid to the fund	-	-
Benefit paid directly by the enterprise	(10.15)	(10.15)
Net defined benefit liability at the end of the period	286.25	286.25
Net Asset/(Liability) recognized in Balance Sheet	286.25	286.25
Recognized Under:		
Short Term Provision	76.44	76.44
Long Term Provision	209.81	209.81
Total	**286.25**	**286.25**

(iii) Expense recognized in the Statement of Profit and Loss

Amount in ₹ lakh

Particulars	For the year ended March 31, 2025	For the Year ended March 31, 2024
Total service cost	20.54	20.54
Interest cost	17.97	17.97
Expenses recognized in the Statement of Profit & Losses	38.51	38.51

(iv) Other Comprehensive Income (OCI)

Amount in ₹ lakh

Particulars	For the year ended March 31, 2025	For the Year ended March 31, 2024
Net cumulative unrecognized actuarial gain/(loss) opening	5.59	15.75
Actuarial gain/(loss) for the year on PBO	(10.16)	(10.16)
Actuarial gain/(loss) for the year on Assets	-	-
Unrecognized actuarial gain/(loss) for the year	(4.57)	5.59

(v) Principal Actuarial assumptions

Amount in ₹ lakh

Particulars	For the year ended March 31, 2025	For the Year ended March 31, 2024
Discount Rate per annum	7.25	7.25
Salary Escalation rate per annum	5.00	5.00
Retirement age	58 Years	58 Years
Mortality tables	LALM [2012-2014]	LALM [2012-2014]

NOTE38: CONTINGENT LIABILITIES

Letters of Credit

Letter of Credit – ₹ NIL lakh (PY – ₹ 253.79 lakh)

Contingent liabilities and commitments (to the extent not provided for)

Bills of Exchange Discounted ₹ 1009.62 lakh (PY- ₹ 1365.80 lakh)

Guarantee & counter guarantee outstanding – ₹ NIL lakh (PY – ₹ 9.61 lakhs)

NOTE 39: AUDITOR'S REMUNERATION

Amount in ₹ lakh

Particulars	For the year ended March 31, 2025	For the Year ended March 31, 2024
Tax Audit Fees Excluding GST	3.30	3.30
Statutory Audit Fees Excluding GST	6.70	6.70

NOTE 40: INFORMATION ON RELATED PARTY TRANSACTIONS AS REQUIRED BY IND AS 24 - 'RELATED PARTY DISCLOSURES' FOR THE YEAR ENDED MARCH 31, 2025

Details of related parties:

a) Key Managerial Personnel

Name	Designation
Mr. Sunil Kumar Arora	Managing Director
Mrs. Sujata Arora	Key managerial personnel
Mr. Sahil Arora	Key managerial personnel
Mrs. Shivani Aggarwal	Relative of Key managerial personnel

b) Relatives of Key Managerial Personnel

Name	Relation
Mrs. Shivani Aggarwal	Daughter of Sunil Kumar Arora
Aro Granite International Inc., USA	Relative of Key managerial personnel

Transactions with Related Parties

Amount in ₹ lakh

Particulars	Relationship	For the year ended March 31, 2025	For the Year ended March 31, 2024
Sale of Goods			
Aro Granite International Inc., USA	Relative of Key managerial personnel	1,490.09	1,892.00
Employee Benefit Expenses			
Mr. Sunil Kumar Arora	Managing Director	186.97	186.30
Mrs. Sujata Arora	Key managerial personnel	1.10	1.60
Mr. Sahil Arora	Key managerial personnel	43.00	42.50
Mrs. Shivani Aggarwal	Daughter of Sunil Kumar Arora	10.75	10.75
Unsecured Loan Taken			
Mr. Sunil Kumar Arora	Managing Director	939.96	1,075.00
Mrs. Sujata Arora	Director	150.00	-
Repayment of Unsecured Loan			
Mr. Sunil Kumar Arora	Managing Director	330.95	13.33
Interest Paid			
Mr. Sunil Kumar Arora	Managing Director	69.00	50.45

Balance Outstanding at the end of Accounting Year

Amount in ₹ lakh

Particulars	Relationship	As at 31.03.2025	As at 31.03.2024
Trade Receivables			
Aro Granite International Inc., USA	Relative of Key managerial personnel	697.67	865.95
Unsecured Loan Taken			
Mrs. Sujata Arora	Director	150.00	-
Mr. Sunil Kumar Arora	Managing Director	2,170.68	1,561.67

NOTE 41: FINANCIAL INSTRUMENTS

Financial Instruments by Category

Amount in ₹ lakh

Particulars	As at 31.03.2025			As at 31.03.2024		
	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI	Amortized Cost
Financial Assets						
Investments	45.67	42.05	-	26.45	57.55	-
Trade receivable	-	-	3,482.22	-	-	4,958.02
Cash and Bank Balances	-	-	833.50	-	-	863.65
Loans	-	-	2.15	-	-	2.99
Other Financial Assets	-	-	1,922.45	-	-	2,047.28
Total Financial Assets	**45.67**	**42.05**	**6,240.33**	**26.45**	**57.55**	**7,871.94**
Financial Liabilities						
Borrowings	-	-	15,964.63	-	-	18,874.69
Trade Payables	-	-	4,899.96	-	-	4,021.41
Other Financial Liabilities	-	-	391.64	-	-	397.18
Total Financial Liabilities	**-**	**-**	**21,256.24**	**-**	**-**	**23,293.28**

Fair Value hierarchy

The following table provides an analysis of financial instruments that are measured at fair value and have been grouped into Level 1, Level 2 and Level 3 below:

Amount in ₹ lakh

Particulars	Level 1	Level 2	Level 3
As at 31-March-25			
Financial Assets			
Financial Investments at FVTPL			
Quoted equity instruments	45.67	-	-
Financial Investments at FVOCI			
Unquoted equity instruments	-	-	42.05
Total Financial Assets	**45.67**	**-**	**42.05**
As at 31-March-24			
Financial Assets			
Financial Investments at FVTPL			
Quoted equity instruments	26.45	-	-
Financial Investments at FVOCI			
Unquoted equity instruments	-	-	57.55
Total Financial Assets	**26.45**	**-**	**57.55**

Level 1:

Quoted prices in the active market. This level of hierarchy includes financial assets that are measured by reference to quoted prices in the active market. This category consists of quoted equity shares and debt based open ended mutual funds.

Level 2:

Valuation techniques with observable inputs. This level of hierarchy includes items measured using inputs other than quoted prices included within Level 1 that are observable for such items, either directly or indirectly. This level of hierarchy consists of debt based close ended mutual fund investments and over the counter (OTC) derivative contracts.

Level 3:

Valuation techniques with unobservable inputs. This level of hierarchy includes items measured using inputs that are not based on observable market data (unobservable inputs). Fair value determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor based on

available market data. The main item in this category are unquoted equity instruments.

The fair value of the financial assets are determined at the amount that would be received to sell an asset in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

Investments in debt mutual funds:

Fair value is determined by reference to quotes from the financial institutions, i.e. Net asset value (NAV) for investments in mutual funds declared by mutual fund house.

Quoted equity investments:

Fair value is derived from quoted market prices in active markets.

Unquoted equity investments:

Fair value is derived on the basis of income approach, in this approach the discounted cash flow method is used to capture the present value of the expected future economic benefits to be derived from the ownership of these investments.

NOTE 42: FINANCIAL RISK MANAGEMENT

The Company's management monitors and manages the financial risks relating to the operations of the Company. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The management reviews cash resources, implements strategies for foreign currency exposures and ensuring market risk limit and policies.

(a) Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as result of changes in interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements can not be normally predicted with reasonable accuracy.

(i) Foreign currency risk

The Company's functional currency in Indian Rupees (INR). The Company undertakes transactions denominated in the foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Company's revenue from export markets and the costs of imports, primarily in relation to raw material. The Company is exposed to exchange rate risk under its trade and debt portfolio.

Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result's in the increase in the Company's overall debt positions in Rupee terms without the Company having incurred additional debt and favorable movements in the exchange rates will conversely result in reduction in the Company's receivable in foreign currency.

Details of derivative instruments and unhedged foreign currency exposure:

(1) The position of foreign currency exposure of loans to the Company as at the end of the year are as follows:

Amount in ₹ lakh

Foreign Currency Outstanding	Buy/Sell	For the year ended March 31, 2025	For the Year ended March 31, 2024
USD	Buy	12.23	46.87
Equivalent amount in Rupees	Buy	1046.23	3907.29
Japanese Yen	Buy	9266.95	1,288.50
Equivalent amount in Rupees	Buy	5189.49	709.83
EURO	Buy	4.06	10.08
Equivalent amount in Rupees	Buy	374.88	909.47

(b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans given. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

(c) Liquidity Risk

The Company has a liquidity risk management framework for managing its short term, medium term and long term sources of funding vis-à-vis short term and long term utilization requirement. This is monitored through a rolling forecast showing the expected net cash flow, likely availability of cash and cash equivalents, and available undrawn borrowing facilities.

NOTE 43: CAPITAL MANAGEMENT

(a) Risk management

The Company's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings and strategic acquisitions. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings. The Company is not subject to any externally imposed capital requirements.

The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, Bank balances other than cash and cash equivalents.

Amount in ₹ lakh

Particulars	For the year ended March 31, 2025	For the Year ended March 31, 2024
Non current borrowings	2,836.97	4,640.84
Current maturities of non current borrowings	1,369.36	1,369.36
Current borrowings	13,127.67	14,233.85
Less: Cash and cash equivalents	56.84	74.91
Less: Bank balances other than cash and cash equivalents	776.66	788.74
Total Debts	16,500.50	19,380.40
Total Equity	18,585.94	19,202.41
Gearing Ratio	88.78	100.93

Equity includes all capital and reserves of the Company that are managed as capital.

NOTE 44:

The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.

NOTE 45: ADDITIONAL REGULATORY INFORMATION

(i) The title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

(ii) The company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets), and intangible assets.

(iii) Capital-Work-in Progress (CWIP)

CWIP Schedule

Amount in ₹ lakh

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	5.94	-	-	97.75	103.69
Projects temporarily suspended	-	-	-	-	-

(iv) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(v) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(vi) The company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(vii) The company has registered all the charges and satisfaction thereof with the Registrar of Companies within the statutory Periods.

(viii) Ratio Analysis:

Particulars	As At 31.03.2025	As At 31.03.2024
Current Ratio	1.46	1.54
Debt Equity Ratio	0.86	0.98
Debt Service Coverage Ratio	0.10	1.21
Return on Equity Shares	(0.03)	0.01
Inventory Turnover Ratioo	0.78	1.00
Trade Receivable Turnover Ratio	2.92	2.79
Trade Payable Turnover Ratio	1.49	2.29
Net capital Turnover Ratio	1.30	1.53
Net Profit Ratio	(0.05)	0.01
Return on capital Employed	0.02	0.05

For Alok Mittal & Associates
Firm Registration No. 005717N
Chartered Accountants

For and on behalf of the Board

For Alok Mittal & Associates
Partner
Membership No. 071205
UDIN: 25071205BMHGJ02651

Sunil Kumar Arora
Managing Director
DIN-00150668

Sahil Arora
Whole Time Director
DIN-07970622

Place: Hosur, Tamilnadu
Date: 16.05.2025

Ayush Goel
Company Secretary
M. No. A62697

C Srinivasan
CFO

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