



ROYAL ARC ELECTRODES LIMITED
Advanced welding solutions

September 5, 2025

To,
The Manager – Listing Department
National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex, Bandra (E),
Mumbai – 400 051
Code: ROYALARC

Ref: Regulation 29, 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

Subject: Intimation of Annual General Meeting (AGM) under Regulation 30 of SEBI (LODR) Regulations, 2015

The Notice convening 29th Annual General Meeting (AGM) of the Members of the Company scheduled to be held on **Monday, 29th September, 2025** at 10.30 a.m. at 72B, Bombay Talkies Compound, Malad West, Mumbai 400064 is enclosed herewith.

Pursuant to provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Regulations, the Company is pleased to provide E-Voting facility through CDSL to its members, to cast their vote electronically for all resolutions proposed at the aforesaid AGM.

The remote e-voting period commences on Friday, September 26, 2025 (9:00 a.m.) and ends on Sunday, September 28, 2025, (5:00 p.m.). The cut-off date for the purpose of remote e-voting and voting at the AGM is Tuesday, 23rd September, 2025.


The above information is also available on the website - www.royalarc.in - of the Company.

This is for your information and record.

Thanking You,

Yours faithfully,
For **Royal Arc Electrodes Limited**

Bipin Sanghvi
Managing Director
DIN: 00462839
Encl: a/a

 **Plant Address**
Plot No. 6, Survey No. 408, Village Zaroli,
Tal. Umargaon, Gujarat 396105, INDIA.

 **Corporate Office**
72 B, Bombay Talkies Compound, Malad
West, Mumbai 400064, Maharashtra, INDIA.

 www.royalarc.in
 info@royalarc.in

CIN: L31100MH1996PLC096296



Royal Arc

Advanced welding solutions

ANNUAL REPORT 2024-2025

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BOARD OF DIRECTORS
Mr. Bipin Sanghvi

 Chairman & Managing Director
 DIN: 00462839

Mr. Hardik Sanghvi

 Whole-time Director & Chief
 Financial Officer
 DIN: 00617415

Mr. Swagat Sanghvi

 Whole-time Director
 DIN: 01695341

Mr. Kunal Turakhia

 Non-Executive Independent Director
 DIN: 10455417

Ms. Jayna B. Mehta

 Non-Executive Independent Director
 DIN: 10455416

Mr. Rahul Vattamparambil

 Non-Executive Independent
 Director
 DIN: 10455717

COMPANY SECRETARY AND COMPLIANCE OFFICER
Mrs. Mansi Maulik Bagadiya
AUDITORS
STATUTORY AUDITOR
J.H. Gandhi & Co.

 308, Sai Leela Co-Op. Premises Society Ltd.,
 Opp. Moksh Plaza, S V Road, Borivali West,
 Mumbai - 400009
 Maharashtra, India

COST AUDITOR
C. B. Modh & Co.

 404, Nirman House, Nr. Usmanpura
 Underpass, Usmanpura,
 Ahmedabad - 380013
 Gujarat, India

SECRETARIAL AUDITOR
CS Riddhi Shah
Practising Company Secretary

 A-1, Ground Floor,
 Kokil Kunj CHSL, M.G. X Road No. 4,
 Behind Patel Nagar, Near Vora Hospital,
 Kandivali (West), Mumbai 400067
 Maharashtra, India

INTERNAL AUDITOR
Ketan N Shah & Co.

 503-504, Sai Leela Co-Op.
 Premises Society Ltd., Opp. Moksh
 Plaza S V Road, Borivali West,
 Mumbai - 400092
 Maharashtra, India

BANKERS
**Hongkong and Shanghai Banking Corporation
 Limited ("HSBC Bank")**
State Bank of India ("SBI")
REGISTRAR & SHARE TRANSFER AGENT
KFIN TECHNOLOGIES LIMITED

 Selenium Tower-B, Plot 31 & 32, Gachibowli, Financial
 District, Nanakramguda, Serilingampally,
 Hyderabad - 500 032, Telangana, India
 Email Id: raelipo@kfintech.com
 Investor Grievance Email Id: einward.ris@kfintech.com

REGISTERED OFFICE
Royal Arc Electrodes Limited

 72 B, Bombay Talkies Compound, S.V. Road
 Malad West, Mumbai - 400 064, Maharashtra - India

MANUFACTURING UNIT
Royal Arc Electrodes Ltd

 Plot No.6, Survey No. 91/ Paiki-4, Near Sheela Foam,
 village- Zaroli, Bhilad, Taluka- Umbergaon,
 Dist- Valsad,
 Gujarat - 396 105, India

AUDIT COMMITTEE
Ms. Jayna B. Mehta

Chairperson

Mr. Kunal Turakhia

Member

Hardik Sanghvi

Member

NOMINATION AND REMUNERATION COMMITTEE
Ms. Jayna B. Mehta

Chairperson

Mr. Kunal Turakhia

Member

Mr. Rahul Vattamparambil

Member

STAKEHOLDERS' RELATIONSHIP COMMITTEE
Mr. Kunal Turakhia

Chairperson

Swagat Sanghvi

Member

Hardik Sanghvi

Member

COMPANY OVERVIEW

Incorporated in 1996, our Company is engaged in the business of manufacturing of welding consumables such as, welding electrodes, flux cored wire, MIG/TIG wires, which finds its application across wide industries like railways, roadways, automotive, airport infrastructure, refineries, shipyards, mines, sugar industries, telecom industries, thermal power stations, PEB sectors, etc., Further, our Company is also engaged in the business of trading of ancillary and incidental products like wheels, electro slag, electro slag strip cladding, saw flux etc. We are capable of manufacturing both standardized as well as customized products.

For more than 25 years, our company has been synonymous with world-class quality and high-performance in the welding industry.

At Royal Arc Electrodes Limited, we focus on advanced R&D coupled with innovative ideas to make the latest advancements in welding more accessible to our customers across the globe.

In India, Royal Arc Electrodes Limited has been leader in bringing advanced technology to the local markets. We are first manufacturers in India to manufacture quality Stainless Steel Flux Cored Wires. It is the strength of our values – quality, safety and sustainability, that has built trust and long-term relationship with our customers and the communities we serve.

After decades of existence, we have been successful in making a mark of ourselves in the Indian Welding Industry. What resulted was a multi-decadal sustainable performance that allowed us to get listed on the NSE Emerge Platform on 24th February 2025 and further cement our position in the industry. Our elevation to a publicly listed company symbolises this maturity and sets the stage for long-term value creation.

With a global pan-India strategy and a growing order book, we are not only increasing our scale but also deepening our impact on the nation's development. With this we are confidently scaling up the ladder of healthy business development, operational excellence and scalable opportunities.



OUR MISSION – OUR VISION

Royal Arc Electrodes has been a steadfast contributor to the Welding Industry. Our core competency lies in thorough understanding of our customers' needs and preferences and providing advanced welding solutions and enhancing their welding experience.

Our Company aims to engage in sustainable practices and providing unparalleled quality and reliability on our products, thereby achieving customer loyalty.

Our products are operational at multiple sites, reinforcing our position as a trusted brand in the industry. At Royal Arc Electrodes we are dedicated to continuing our legacy of excellence, driving forward with innovation and a commitment to superior performance in every product we deliver.



VISION

We believe in providing the best quality products to our clients across industries, while ensuring cost-effectiveness. We aim to provide genuine value and develop enduring relationships with our customers worldwide.



MISSION

Mission - To innovate and create a world class products with superior performance capabilities.

STRATEGIES



Achieve Operational efficiency



Enhance our depth of experience, knowledge-base and know-how



Strengthen and expand our market position and product portfolio



Increase our network of dealers, customers and geographical reach

KEY STRENGTHS

Robust order book backed by repeat business from Leading Companies and Establishments.

Long standing relationship with customers across industries

Geographical spread across the country and overseas.

Seasoned and Experienced management team and personnel.

STRATEGIC PRIORITIES

We are focused on driving growth through strategic initiatives.

We aim to strengthen client relationships by delivering products assuring reliability, quality and performance, whilst also focusing on expanding our product range with innovation and expansion into new regions and opportunities.



Strengthening Relationships through proven execution of order book

- Foster stronger connections with existing customers by delivering high-quality, reliable products which assure performance.
- Leverage experience in both government and private sector requirements for our products
- Build lasting partnerships ensuring continuing business



Increasing our manufacturing capacity to focus on the growing demand of our core products

- We intend to expand the manufacturing capacity enabling us to increase the present capacity and subsequently boost our sales and meet increasing demand and increase profitability by benefiting from economies of scale



Strengthen our brand value and create awareness for our new products

- It is important to invest in the brand to strengthen the top of the mind recall and consequently seek to capture a greater market share



Strengthen our marketing network

- We intend to strengthen our existing marketing who will supplement our existing marketing strategies in the domestic and international markets.

OUR PRODUCTS



**WELDING
ELECTRODES**



**FLUX CORED
WIRE**



**MIG/TIG
WIRES**



**SAW FLUX
AND WIRE**



**STRIP
CLADDING**



**WELDING
MACHINE**

INDUSTRY



RAILWAY SECTOR



AUTOMOBILE INDUSTRY



SHIPPING INDUSTRY



POWER SECTOR



MINING SECTOR



**STEEL INDUSTRY &
OIL & PETROCHEMICAL
SECTOR**



SUGAR PLANTS



CEMENT PLANTS

CUSTOMERS AND WORLDWIDE PRESENCE

Royal Arc exports to over 20+ countries worldwide, strategically navigating the dynamic landscape of the global welding industry. As the industry evolves with challenges and opportunities, Royal Arc remains committed to enhancing its competitive advantages. This dedication propels us towards becoming a global player in welding electrodes.



SUSTAINABILITY

As a renowned and responsible manufacturing unit, our company and its management places great emphasis in sustainability and believes in leaving a legacy for generations to come. Our company has taken various steps towards its sustainability goal-



Our initiatives focus on reducing environmental impact through energy conservation, waste reduction, and the use of renewable resources. These efforts reflect our commitment to a greener and more sustainable future.

In the Fiscal Year 2025-26, We are planning to expand a 400.140 KWP Solar Power Plant, driving our Plant to achieve reliance on renewable energy sources.



CHAIRMAN'S SPEECH



I am pleased to present the inaugural annual report, reflecting a year of remarkable achievements with immense pride and gratitude.

Since our founding in 1996, we have been committed to quality, innovation, sustainability and reliability. Past years have been transformative, with this year being significant for us for achieving a major milestone by listing on the NSE Emerge Platform in February, 2025. This achievement underscores our rapid growth, reflects strong market confidence in our future, and highlights an operational year marked by significant development and progress.

Going further, we continue to aim our business strategies to be dynamic and proactive, given the macro and micro market environments in which we operate. We have made significant strides in enhancing our manufacturing capabilities, maximize our operational efficiency and enhance our product base by research and upgradation, to strengthen and expand our market position.

To conclude, I want to express my gratitude to our shareholders, employees and customers for their unwavering support and trust. Fuelled with motivation, we are confident that together we will continue to achieve new heights of success.

Thank you for your support and trust.

Mr. Bipin Sanghvi

Chairman & Managing Director

OUR LISTING CEREMONY



On 24th February, 2025, Our Company reached a remarkable milestone by listing on the National Stock exchange.

The listing ceremony was not just a formal event but also a celebration of our collective hard work, perseverance and vision for the future.

With our Board members, and the dedicated team by our side, we embark on this new phase as a publically traded company with same passion and dedication that has driven our success so far.

The ringing of the bell marked the beginning of an exciting new chapter in our Company's journey. And with this fueled motivation, we look forward to achieving even greater goals together.



NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 29th ANNUAL GENERAL MEETING of the Members of ROYAL ARC ELECTRODES LIMITED will be held on Monday, 29th September, 2025 at 10:30 A.M. at the Registered Office of the Company at 72 B, Bombay Talkies Compound, S.V. Road, Malad West, Mumbai 400064 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements (including audited consolidated financial statements) for the Financial Year ended 31st March, 2025 and the Reports of the Board of Directors and Auditors thereon.

2. To appoint director in place of Mr. Hardik Sanghvi (DIN: 00617415), who retires by rotation and being eligible offer himself for re-appointment.

3. To consider and if thought fit, to pass, the following Resolution as an Ordinary Resolution for appointment of M/s. J. H. Gandhi & Co. (Firm Registration No.:116513W), as the Statutory Auditors of the Company:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules framed thereunder as amended from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on the recommendation of Audit Committee and the Board of Directors, M/s. J. H. Gandhi & Co. (Firm Registration No.:116513W), be and are hereby appointed as the Statutory Auditors of the Company, to hold office for a term of five consecutive years from the conclusion of the 29th Annual General Meeting (AGM) until the conclusion of the 34th AGM of the Company, on such remuneration as may be mutually agreed upon between the Board of Directors and the Statutory Auditors.

SPECIAL BUSINESS

4. Appointment of Secretarial Auditor:

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

"RESOLVED THAT pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and based on the recommendation of Audit Committee & subject to members approval Ms. Riddhi Shah, a Peer Reviewed, Practicing Company Secretaries, be and hereby appointed as Secretarial Auditors of the Company for conducting Secretarial Audit for a period of five consecutive years i.e. from FY 2025-26 till FY 2029-30 at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Secretarial Auditors."

5. Ratification of remuneration to the Cost Auditors for the FY 2025-26.

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

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s. C. B. Modh & Co., (M - 30056), Cost Accountant, Ahmedabad, appointed by the Board of Directors of the Company on the recommendation of the Audit Committee, as Cost Auditors of the Company to conduct audit of the cost records maintained by the Company as prescribed under the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, for the Financial Year ending March 31, 2026 be paid remuneration of Rs. 68,500 (Rupees Sixty-Eight Thousand Five Hundred only) plus reimbursement of out of pocket expenses and applicable taxes and to seek certification services as and when required (along with necessary fees).

RESOLVED FURTHER THAT approval of the Company be and is hereby accorded to the Board of Directors of the Company (including its Committee thereof) to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

Registered Office

72 B, Bombay Talkies Compound, Malad West, Mumbai
400064, Maharashtra, India.
Tel: +91 7888000553
Email: cs@royalarc.in
Website: www.royalarc.in
CIN: L31100MH1996PLC096296

By Order of the Board**For Royal Arc Electrodes Limited****Place: Mumbai****Date: 28th May, 2025****Mr. Bipin Sanghvi**Managing Director
DIN: 00462839

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY(S) TO ATTEND AND VOTE (ON POLL) INSTEAD OF HIMSELF AND A PROXY(S) NEED NOT BE A MEMBER OF THE COMPANY.

2. Pursuant to the provisions of section 105 of the Companies, a person can act as proxy on behalf of not more than 50 (fifty) members and holding in aggregate not more than 10% (ten percent) of the total share capital of the Company. However, a member holding more than 10% (ten percent) of the total share capital of the Company may appoint a single person as proxy and such person shall not act as proxy for any other member.

3. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Notice. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.

4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.

5. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 ("the Act"), in respect of the special businesses mentioned in the Notice of this Annual General Meeting ("AGM"/"Notice") is annexed hereto.

6. Details under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2 i.e. Secretarial Standards on General Meetings in respect of the Director seeking appointment/reappointment at the Meeting is annexed to the Explanatory Statement hereto.

7. In conformity with the applicable regulatory requirements, the Notice of the Annual General Meeting is being sent only through electronic mode to those Members who have registered their e-mail addresses with the Company or with the Depositories (NSDL/CDSL). Further in line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020 the Notice calling the AGM has been uploaded on the website of the Company at www.royalarc.in. The Notice can also be accessed from the website of the Stock Exchange i.e. National Stock Exchange of India Ltd (NSE) at www.nseindia.com. 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. Members may also note that the Notice of the Meeting will also be available on the Company's website www.royalarc.in for download.

8. Members who have still not registered their email IDs are requested to do so at the earliest. Members holding shares in electronic mode can get their email IDs registered by contacting their respective Depository Participant. Members holding shares in physical mode are requested to register their email IDs with the Company or the RTA (KFin Technologies Limited), for receiving the Notice. Requests can be emailed to cs@royalarc.in or einward.ris@kfinetech.com. We urge members to support this Green Initiative effort of the Company and get their email IDs registered.

9. Relevant Documents referred to in the accompanying Notice and all other statutory documents will be made available for inspection in the electronic mode. Members can inspect the same by sending a request to the Company's investor email ID i.e. cs@royalarc.in.

10. 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 dated April 08, 2020, April 13, 2020, May 05, 2020 and January 13, 2021, 2/2022 dated May 05, 2022 and 10/2022 dated December 28, 2022, the Company is providing facility of remote e-voting (facility to cast vote prior to the AGM) and also e-voting during the AGM 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. The detailed instruction for remote E-Voting & E-Voting at AGM is annexed to the Notice as Annexure I

11. Mrs. Riddhi Shah, Practising Company Secretary (CP No.: 17035), has been appointed as the scrutinizer to scrutinize the voting during AGM and remote e-voting process in a fair and transparent manner.

12. The remote e-voting period commences on Friday, 26th September, 2025 (09:00 A.M.) and ends on Sunday, 28th September, 2025 (05:00 P.M.) During this period, Members holding shares either in physical form or demat form, as on Tuesday, 23rd September, 2025 i.e. Cut-off date, may cast their vote electronically. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently or cast vote again.

13. The voting rights of members shall be in proportion to their shares in the paid-up equity share capital of the Company as on cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date only shall be entitled to avail facility of remote e-voting. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as on cut-off date, may cast vote after following the instructions for e-voting as provided in the Notice convening the Meeting, which is available on the website of the Company and CDSL. However, if you are already registered with CDSL for remote e-voting then you can use your existing User ID and password for casting vote.

14. The Results of voting will be declared within 2 working days from the conclusion of the AGM and the Resolutions will be deemed to be passed on the date of the AGM, subject to receipt of requisite number of votes. The declared Results, along with the Scrutinizer's Report, will be available forthwith on the Company's website www.royalarc.in and on the website of CDSL i.e., www.evotingindia.com immediately after the result is declared. The Company shall simultaneously forward the results to NSE, where the equity shares of the Company are listed.

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

16. Any persons, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Tuesday, 24th September, 2024 may obtain the login ID and password by sending a request at Issuer/ RTA.

17. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to attend the AGM.

18. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

19. Members are requested to bring their copies of the AGM Notice. The Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the meeting.

20. Mr. Hardik Sanghvi (DIN: 00617415), retries by rotation and being eligible offers himself for re-appointment. The details pertaining to aforesaid directors as required under Companies Act, 2013, Secretarial Standards on General Meeting and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is furnished in Annexure II to the Notice.

21. Members are requested to bring their copies of the Annual Report to the meeting. The Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the meeting.

22. Members intending to require information about Accounts to be explained in the Meeting are requested to inform the Company at least 2 days in advance of the Annual General Meeting.

23. 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 therefore, requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar.

24. In order to strengthen the dispute resolution mechanism for all disputes between a listed company and/or registrars & transfer agents and its shareholder(s)/ investor(s), SEBI had issued a Standard Operating Procedure ('SOP') vide Circular dated May 30, 2022. As per this Circular, shareholder(s)/investor(s) can opt for Stock Exchange Arbitration Mechanism for resolution of their disputes against the Company or its RTA. Further, SEBI vide Circular dated July 31, 2023 (updated as on December 20, 2023), introduced the Online Dispute Resolution (ODR) Portal. Through this ODR portal, the aggrieved party can initiate the mechanism, after exercising the primary options to resolve its issue, directly with the Company and through the SEBI Complaint Redress System (SCORES) platform. The Company has complied with the above circulars. The SMART ODR Portal can be accessed at: <https://smartodr.in/login>.

Registered Office

72 B, Bombay Talkies Compound, Malad West, Mumbai
400064, Maharashtra, India.
Tel: +91 7888000553
Email: cs@royalarc.in
Website: www.royalarc.in
CIN: L31100MH1996PLC096296

By Order of the Board**For Royal Arc Electrodes Limited****Place: Mumbai****Date: 28th May, 2025****Mr. Bipin Sanghvi**Managing Director
DIN: 00462839

ANNEXURE I
THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING

i. The voting period begins on Friday, 26th September, 2024 (09:00 A.M.) and ends on Sunday, 28th September, 2024 (05:00 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 of Tuesday, 23rd September, 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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

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

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

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

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

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

Pursuant to above said SEBI Circular, Login method for e-Voting 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 cdsi website www.cdslindia.com and click on login icon & My Easi New (Token) Tab.

	<p>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.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at cdsi website www.cdslindia.com and click on login & My Easi New (Token) Tab and then click on registration option.</p> <p>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</p>
<p>Individual Shareholders Holding securities in demat mode with NSDL Depository</p>	<p>1. If you are already registered for NSDL IDeAS facility, please visit the eServices 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 redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>

	<p>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</p> <p>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.</p> <p>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.</p>
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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 eVoting period.
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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

Type of shareholders	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

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

V. Login method for e-Voting for Physical shareholders and shareholders other than individual holding in Demat form.

- 1) Click on "Shareholders" module.
- 2) 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.
- 3) Next enter the Image Verification as displayed and Click on Login.
- 4) 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.

- 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.

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 for the relevant <Company Name> on which you choose to vote.

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

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

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

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

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

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

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

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

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com 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 should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required 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 cs@royalarc.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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 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 at toll free no. 1800 21 09911.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Pursuant to Section 102 of the Companies Act, 2013 ("the Act"), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos. 3 to 5 of the accompanying Notice dated 28th May, 2025.

ITEM NO. 3

The Members of the Company at the Extra-Ordinary General Meeting of the Company held on 31st October, 2024 had approved the appointment of M/s. J. H. Gandhi & Co. (Firm Registration No.:116513W), as the Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. Bagadiya & Jain, Chartered Accountants. The said appointment was until the conclusion of this Annual General Meeting and to conduct the Statutory Audit for the period ended 31st March, 2025.

The Board of Directors of the Company (the Board), at its meeting held on 28th May, 2025, considering the experience and expertise and based on the recommendation of the Audit Committee, has proposed to the Members of the Company, appointment of M/s. J. H. Gandhi & Co. (Firm Registration No.:116513W), as Statutory Auditors of the Company for a term of 5 (five) consecutive years from the conclusion of 29th AGM till the conclusion of the 34th AGM on payment of such remuneration as may be mutually agreed upon between the Board of Directors and the Statutory Auditors, from time to time. The Board of Directors, in consultation with the Audit Committee, may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

Pursuant to Section 139 of the Companies Act, 2013 (the Act) and the Rules framed thereunder, the Company has received written consent from M/s. J. H. Gandhi & Co. and a certificate that they satisfy the criteria provided under Section 141 of the Act and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and Rules framed thereunder. As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, M/s. J. H. Gandhi & Co., has confirmed that they hold a valid certificate issued by the Peer Review Board of ICAI.

None of the Directors or other Key Managerial Personnel and their relatives, are concerned or interested (financially or otherwise) in this Resolution. The Board recommends the Ordinary Resolution set out at Item No. 3 for the approval of Members.

ITEM NO. 4

After evaluating and considering various factors such as industry experience, competence of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company has, based on the recommendation of the Audit Committee, at its meeting held on May 28, 2025, proposed the appointment of Mrs. Riddhi Shah, Practicing Company Secretaries (Peer Review Certificate No. 2037/2022) Company Secretaries, as the Secretarial Auditors of the Company, for a term of five consecutive years from Financial Year April 1, 2025 to March 31, 2030, at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Secretarial Auditors.

Mrs. Riddhi Shah has consented to her appointment as Secretarial Auditor and has confirmed that her appointment will be in accordance with Section 204 of Companies Act, 2015 read with SEBI (LODR) Regulations, 2015.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice.

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

ITEM NO. 5

The Board of Directors, at its Meeting held on May 28, 2025, upon the recommendation of the Audit Committee, approved the appointment of M/s. C. B. Modh & Co., (M - 30056), Cost Accountant, Ahmedabad, as Cost Auditors of the Company for conducting the audit of the cost records of the Company, for the financial year ending March 31, 2026, at a remuneration of Rs. 70,000 (Rupees Seventy Thousand only) plus reimbursement of out of pocket expenses and applicable taxes and to seek certification services as and when required (along with necessary fees).

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, Members of the Company are required to ratify the remuneration to be paid to the cost auditors of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice.

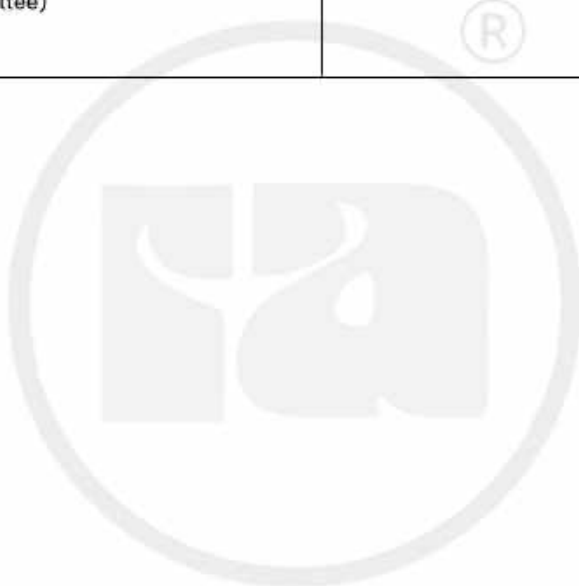
None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 5 of the Notice.

ANNEXURE II TO THE NOTICE

Particulars of the Directors seeking appointment / re-appointment at the ensuing Annual General Meeting pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended and Secretarial Standards on the General Meeting.

Name	Mr. Hardik Sanghvi
Age	43 years
Qualification	Master of Business Administration
Experience	He has been associated with the Company since 2002 and currently responsible for handling the sales & marketing strategy of the Company. He has 16+ years of experience in the field in the line of business in which our Company operate.
Date of First Appointment	1st December, 2012
Executive & Non-Executive Director	Whole-time Director and Chief Financial Officer
Shareholding in the Company	23,49,750 shares (21.17%)
Relationship with other directors and Key Managerial Personnel of the Company	Son of Mr. Bipin Sanghvi Brother of Mr. Swagat Sanghvi
Number of Meetings of the Board attended/ held	18/18

Directorships held in other public companies (excluding foreign companies and Government Bodies)	NIL
Committee positions held in Indian Public Companies as on 31.03.2025	NIL
Chairman/ member in the committees of the boards of companies in which he is Director (includes only Audit Committee, Stakeholders' Relationship Committee and Nomination and Remuneration Committee)	NIL



DIRECTORS REPORT

To,
 The Members,

Your Directors' have pleasure in presenting their 29th Annual Report on the Business and Operations of the Company and the accounts for the financial year ended 31st March, 2025.

1) FINANCIAL RESULTS:

The following are the financial results of the Company for the year ended on 31st March, 2025.

(Amount in Lakhs)

Particulars	For the Financial year Ended	
	31 March 2025	31 March 2024
Revenue From Operations	10,176.79	10,010.73
Other income	57.69	88.52
Total Income	10,234.48	10,099.25
Operating Expenses	8,664.37	8,277.42
Profit Before Finance Cost, Depreciation and Amortisation	1,570.11	1,821.83
Depreciation And Amortisation Expenses	295.10	180.85
Finance Cost	21.50	9.89
Profit Before Tax	1,253.51	1,631.09
Exceptional Items	49.76	-
Provision for tax	303.18	418.26
Profit after tax	900.57	1,212.83

The Company's revenue from operations for the financial year 2021-22, 2022-23, 2023-24 and 2024-25 stood at INR 6,325.53, INR 9,731.90 lakhs, INR 10,010.73 lakhs and INR 10,176.79 lakhs respectively.

The gross profit for the financial year 2021-22, 2022-23, 2023-24 and 2024-25 was, INR 1628.29 lakhs and INR 3042.16lakhs, INR 3417.92 lakhs and INR 3230.67 lakhs respectively.

Our profit after tax for the financial year 2021-22, 2022-23, 2023-24 and 2024-25 was INR 212.13 lakhs, INR 969.55Lakhs, INR 1212.82 lakhs and INR 900.56 lakhs respectively.

Further, no other material changes or commitments have occurred between the end of the financial year and the date of this Report which affect the financial statements of the Company in respect of the reporting year.

2) DIVIDEND

Your directors have not recommended any dividend during the year with a view to conserve the resources of the Company for various expansion plans.

3) TRANSFER TO RESERVE

During the year under review, no sum has been transferred to General Reserves of the Company.

4) BRIEF DESCRIPTION OF THE COMPANY AFFAIRS

Incorporated in 1996, our Company is engaged in the business of manufacturing of welding electrodes, flux cored wires, MIG/TIG wires. The Company is capable of manufacturing both standardized as well as customized products. Further, our Company is also engaged in the business of trading of ancillary/incidental products like abrasive wheels, welding flux, saw wire, saw flux, and special TIG /MIG. We supply our products to domestic customers and export customers.

During the period under review, the company has successfully completed its Initial Public Offer ("IPO") of issuing 30,00,000 equity shares of Face Value Rs. 10 each ("equity shares") at an issue price of Rs. 120/- per equity share (including a share premium of Rs. 110) aggregating to Rs. 36,00,00,000/-. This comprised of Fresh issue of 18,00,000 equity shares aggregating to Rs. 21,60,00,000/- and an offer for sale of 12,00,000 equity shares aggregating to Rs. 14,40,00,000/-. The equity shares of company got listed on National Stock Exchange Emerge Platform ("NSE Emerge") on 24th February 2025.

This marks a significant milestone in its growth and enabling it to access broader capital markets for future expansion.

During the year under review Company has delivered strong performance. Despite a complex macroeconomic environment – market by fluctuating interest rates, geopolitical uncertainty, and evolving regulatory landscapes – we remained resilient and agile. The total sales and other income of the Company was Rs. 10,234.48 lakhs during the period under review as compared to Rs. 10,099.25 lakhs for the previous financial year 2023-2024.

Your Company is committed to steady and sustainable growth and maintain the growth momentum.

5) CHANGE IN NATURE OF BUSINESS

During the year, your Company has not changed its business or object and continues to be in the same line of business as per main object of the Company.

6) THE REGISTERED OFFICE

The registered office of the company is situated at 72 B, Bombay Talkies Compound, Malad West, Mumbai 400064, Maharashtra, India.

7) DEMATERIALIZATION OF SHARES

All the Equity Shares of the Company are in dematerialized form with either of the depositories viz. NSDL and CDSL. The ISIN No. allotted is INE0EO401019.

8) SHARE CAPITAL

During the year under review, the authorized and paid-up share capital of the Company are as follows:

● AUTHORIZED CAPITAL

The Authorised Capital of the Company is Rs. 18,00,00,000/- divided into 1,80,00,000 Equity Shares of ₹ 10/- (Rupees Ten Only) each. During the Financial year, the Company has not increased the authorized Share capital of the Company.

● ISSUED, SUBSCRIBED & PAID-UP CAPITAL

As on March 31, 2025, the issued, subscribed and paid up share capital of the Company stood at Rs. 11,10,02,000 /- comprising of 1,11,00,200 Equity Shares of Rs. 10/- each.

During the Financial year, the Company has increased issued, subscribed and paid-up capital of the Company as per table below.

Sr. No.	Date of Allotment	No. of equity Shares allotted	Issue Price	Nature of Allotment
1	20/02/2025	18,00,000	Rs. 120	Initial Public Offering

The Company has not issued shares with differential voting rights nor has issued any Sweat Equity. As on March 31, 2025, none of the Directors of the Company hold any Company as per table below.

9) BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Company is well supported by the knowledge and experience of its Directors. There is no Change in Key Managerial Personnel during the year.

As on the date of this report, the Board comprises of following Directors and Key Managerial Personnel:

Name of Director/KMP	Designation	Date of Original Appointment	No. of Shares held as on 31 st March, 2025
Mr. Bipin Shantilal Sanghvi	Chairman and Managing Director	15/01/1996 Appointed as Chairman and Managing Director w.e.f. 16/01/2024	7,21,717
Mr. Hardik Bipin Sanghvi	Whole Time Director & Chief Financial Officer	01/12/2012 Appointed as Chief Financial Officer (CFO) w.e.f. 16/01/2024	23,49,750
Mr. Swagat Bipin Sanghvi	Whole Time Director	16/08/2010	23,49,750
Mrs. Jayna B Mehta	Non-Executive & Independent	16/01/2024	-
Mr. Rahul Rajan Vattamparambil	Non-Executive & Independent	16/01/2024	-
Mr. Kunal Kamlesh Turakhia	Non-Executive & Independent	16/01/2024	-
Mrs. Mansi Maulik Bagadiya	Company Secretary & Compliance Officer	01/02/2024 as CS & 06/03/2024 as Compliance Officer	-

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company Mr. Hardik Sanghvi, retires by rotation at the ensuing Annual General Meeting and offers himself for re-appointment.

None of the Directors of the Company are disqualified under the provisions of Section 164(2) of the Companies Act, 2013.

10) DISCLOSURE BY DIRECTORS

The Directors on the Board have submitted notice of interest under Section 184(1) i.e. in Form MBP 1, intimation under Section 184(2) i.e. in Form DIR 8, List of relatives and declaration as to compliance with the Code of Conduct of the Company.

11) BOARD MEETINGS

Regular meetings of the Board are held at least once in a quarter. Additional Board meetings are convened, as and when require, to discuss and decide on various business policies, strategies and other businesses. The Board meetings are generally held at the registered office of the Company.

During the year under review, Board of Directors of the Company met 18 times. Details of Meeting and their attendance as below:

Sr. No	Date of Board Meeting	Name of Director and Attendance details					
		Mr. Bipin Shantilal Sanghvi	Mr. Hardik Bipin Sanghvi	Mr. Swagat Bipin Sanghvi	Mr. Kunal Kamlesh Turakhia	Mrs. Jayna B Mehta	Mr. Rahul Rajan Vattamparam bil
1.	02.04.2024	Present	Present	Present	Present	Present	Present
2.	28.05.2024	Present	Present	Present	Present	Present	Present
3.	27.06.2024	Present	Present	Present	Present	Present	Present
4.	03.07.2024	Present	Present	Present	Present	Present	Present
5.	09.07.2024	Present	Present	Present	Present	Present	Present
6.	02.08.2024	Present	Present	Present	Present	Present	Present
7.	17.09.2024	Present	Present	Present	Present	Present	Present
8.	24.10.2024	Present	Present	Present	Present	Present	Present
9.	29.10.2024	Present	Present	Present	Present	Present	Present
10.	29.11.2024	Present	Present	Present	Present	Present	Present
11.	09.12.2024	Present	Present	Present	Present	Present	Present
12.	14.01.2025	Present	Present	Present	Present	Present	Present
13.	04.02.2025	Present	Present	Present	Present	Present	Present
14.	08.02.2025	Present	Present	Present	Present	Present	Present
15.	13.02.2025	Present	Present	Present	Present	Present	Present
16.	18.02.2025	Present	Present	Present	Present	Present	Present
17.	20.02.2025	Present	Present	Present	Present	Present	Present
18.	20.03.2025	Present	Present	Present	Present	Present	Present

The meetings of the Board of the Companies within the intervals provided in section 173 of the Companies Act, 2013 (120 days) were compiled between two Board Meetings.

12) INDEPENDENT DIRECTORS

The Company has received necessary declaration from each Independent Director under Section 149 (7) of the Companies Act, 2013 that they meet the criteria of independence laid down in Section 149 (6) of the Act. A separate meeting of Independent Directors was held to review the performance of Non-Independent Directors and Board as whole and performance of Chairperson of the Company including assessment of quality, quantity and timeliness of flow of information between Company management and Board. The terms and conditions of appointment of Independent Directors and Code for Independent Director are incorporated on the website of the Company viz. www.royalarc.in.

13) DETAILS OF KEY MANAGERIAL PERSONNEL

In terms of Section 203 of the Companies Act, 2013, Mr. Bipin Shantilal Sanghvi is Managing Director, Mr. Hardik Bipin Sanghvi is Chief Financial Officer and Mrs. Mansi Maulik Bagadiya is a Company Secretary & Compliance Officer of the Company.

14) UTILIZATION OF FUND RAISED FROM INITIAL PUBLIC OFFERING

During the period under review, the Company has raised moneys by way of Initial public Offering by issuing 18,00,000 equity shares of Rs. 10 each at a premium of Rs. 110 per share. The money as raised have been applied for the purposes for which those are raised till March 31, 2025 as follows:

SN	Object	Modified Object, if any	Original Allocation (Rs.)	Modified allocation, if any	Funds Utilised (Rs)	Amount of Deviation /Variation for the quarter according to applicable object	Remarks if any
1.	Funding towards the expansion of our manufacturing facility situated at Village Zaroli, Umbergaon Valsad, Gujarat, Bharat.	N.A.	4,88,66,000	N.A.	32,80,000	Nil	N.A.
2.	Funding the working capital requirements of our Company	N.A.	14,00,00,000	N.A.	1,23,38,250	Nil	N.A.
3.	General corporate purposes	N.A.	2,71,34,000	N.A.	1,89,81,750	Nil	N.A.
	Total	N.A.	21,60,00,000	N.A.	3,46,00,000	N.A.	

15) PERFORMANCE EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance board committees and individual directors pursuant to the provisions of the Act. The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure effectiveness of board processes information and functioning etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings etc. In addition, the performance of chairman was also evaluated on the key aspects of his role.

The Board has reviewed the performance of the individual Directors on the basis of the criteria such as the contribution of the individual Director to the Board and Committee Meetings like preparedness on the issues to be discussed meaningful and constructive contribution and inputs in meetings etc.

16) DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to section 134(3)(c) of the Companies Act, 2013, the Directors confirms that:

- a. In the preparation of the annual accounts for the year end at that date, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the company for that period;
- c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors have prepared the annual accounts on a 'going concern' basis; and
- e. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

17) COMMITTEE OF BOARD

The Board of Directors in line with the requirement of the Companies Act, 2013 has formed various committees, details of which are given hereunder:

A. AUDIT COMMITTEE:

Name	Category	Designation
Mrs. Jayna B Mehta	Non-Executive Independent Director	Chairperson
Mr. Hardik Bipin Sanghvi	Executive Director	Member
Mr. Swagat Bipin Sanghvi	Non-Executive Independent Director	Member

10 Audit Committee meetings were held during the period under consideration, as mentioned herein below:

Meeting	Name of Director and Attendance details		
	Mrs. Jayna B Mehta	Mr. Hardik Bipin Sanghvi	Mr. Kunal Kamlesh Turakhia
03.07.202	Present	Present	Present
09.07.202	Present	Present	Present
02.08.202	Present	Present	Present
17.09.2024	Present	Present	Present
29.10.2024	Present	Present	Present
29.11.2024	Present	Present	Present
09.12.2024	Present	Present	Present
14.01.2025	Present	Present	Present
18.02.2025	Present	Present	Present
20.02.202	Present	Present	Present

Vigil Mechanism

The Company has established a vigil mechanism and accordingly framed a Whistle Blower Policy. The policy enables the employees to report to the management instances of unethical behavior actual or suspected fraud or violation of Company's Code of Conduct.

Further the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances and provide for adequate safeguards against victimization of the Whistle Blower who avails of such mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. The functioning of vigil mechanism is reviewed by the Audit Committee from time to time. None of the Whistle blowers has been denied access to the Audit Committee of the Board. The Whistle Blower Policy of the Company is available on the website of the Company.

B. STAKEHOLDER'S RELATIONSHIP COMMITTEE

Name	Category	Designation	Attendance
Mr. Kunal Kamlesh Turakhia	Non-Executive Independent	Chairman	No Meeting Held during the period
	Director		
Mr. Hardik Bipin Sanghvi	Executive Director	Member	
Mr. Swagat Bipin Sanghvi	Executive Director	Member	

C. NOMINATION AND REMUNERATION COMMITTEE

Name	Category	Designation	Attendance
Mrs. Jayna B Mehta	Non-Executive Independent Director	Chairperson	No Meeting Held during the period
Mr. Kunal Kamlesh Turakhia	Non-Executive Independent Director	Member	
Mr. Rahul Rajan Vattamparambil	Non-Executive Independent Director	Member	

18) GENERAL MEETINGS:

Following General Meetings were held during the period under review

Type of Meeting	Date	Venue
Annual General Meeting	06.07.2024	72 B, Bombay Talkies Compound, S.V.Road, Malad West, Mumbai – 400064
Extraordinary General Meeting	31.10.2024	

19) CODE OF CONDUCT

Pursuant to the provisions of Regulations 8 & 9 of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors has formulated, implemented and has in place a comprehensive "Code of Fair Disclosure of Unpublished Price Sensitive Information" & "Code of Conduct for Prevention of the Insider Trading" for regulating, monitoring and reporting the trading by Designated persons of the Company which exemplifies the spirit of good ethics and governance and is applicable to the Designated personnel of the Company which includes Promoters, Promoter Group, Key Managerial Personnel's, Directors, Senior Management and such other employees of the Company and others in fiduciary relationships and as may be approved by the Board of Directors, from time to time, based on the fact of having access to unpublished price sensitive information. The referred Code(s) lays down guidelines advising the Designated Personnel on procedures to be followed and disclosures to be made while dealing with the securities of the Company.

Further, the Board Members and Senior Management Personnel have affirmed compliance with the code of conduct. A declaration with regards to compliance with the Code of Conduct for the Financial Year 2024- 2025 has been received by the Company from the Managing Director.

20) NOMINATION AND REMUNERATION POLICY

Nomination and Remuneration Policy in the Company is designed to create a high-performance culture. It enables the Company to attract motivated and retained manpower in competitive market, and to harmonize the aspirations of human resources consistent with the goals of the Company. The Company pays remuneration by way of salary, benefits, perquisites and allowances to its Executive Directors and Key Managerial Personnel. The Nomination and Remuneration Policy of the Company is also posted on the website of the Company.

21) REMUNERATION OF DIRECTORS

During the financial year, the Directors have drawn salary as mentioned in Annexure "C".

22) PUBLIC DEPOSIT

The company has not accepted any deposits from the public. Hence the directives issued by the Reserve Bank of India & the Provision of Section 73 to 76 of the Company Act 2013 or any other relevant provisions of the Act and the Rules there under are not applicable.

23) PARTICULARS OF LOANS GUARANTEES INVESTMENTS & SECURITY

Details of Loans Guarantees Investments and Security covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statement and the same is complied.

24) EXTRACT OF ANNUAL RETURN

The Extract of Annual Return in Form MGT-9 pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure "B".

25) SUBSIDIARIES OF THE COMPANY

During the year under review, the Company does not have any subsidiary Company.

26) ASSOCIATES AND JOINT VENTURE OF THE COMPANY

During the year under review, the Company does not have any Associate or Joint Venture.

27) PARTICULARS OF CONTRACT OR ARRANGEMENT WITH THE RELATED PARTY

In accordance with the provisions of Section 188(1) of the Companies Act, 2013 there are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Accordingly, no transactions are being reported in Form AOC-2, in terms of Section 134 of the Act read with rule 8 of the Companies (Accounts) Rules, 2014 and hence does not form part of this report.

However, the disclosure of the related parties is provided in the notes to accompanying financial statements of the Company for the FY ended 31st March, 2025 in accordance with the Accounting Standards.

28) MATERIAL CHANGES AND COMMITMENT

There are no material changes and commitments affecting the financial position of the Company have occurred between the ends of Financial Year of the Company i.e. 31st March, 2025 to the date of this Report other than as stated above.

29) SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by the regulators or courts or tribunals which impact the going concern status and the Company's operations in future.

30) SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

To foster a positive workplace environment free from harassment of any nature we have framed Prevention of Sexual Harassment Policy through which we address complaints of sexual harassment at all workplaces of the Company. Our policy assures discretion and guarantees non-retaliation to complainants. We follow a gender-neutral approach in handling complaints of sexual harassment and we are compliant with the law of the land where we operate.

Number of sexual harassment complaints received- Nil

Number of sexual harassment complaints Disposed-off during the year- Nil

Number of sexual harassment cases pending for a period exceeding ninety days- Nil

31) CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNING/OUTGO

(A) Conservation of energy	
(i) the steps taken or impact on conservation of energy	The Company continues efforts with regard to energy conservation and management through improved manufacturing technologies and rationalization.
(ii) the steps taken by the company for utilizing alternate sources of energy	
(iii) the capital investment on energy conservation equipment's	
(B) Technology absorption	
(i) the efforts made towards technology absorption	The Company has not imported any technology during the year.
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution	
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	
(a) the details of technology imported;	
(b) the year of import;	
(c) whether the technology been fully absorbed;	
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	
(iv) the expenditure incurred on Research and Development	
(C) Foreign exchange earnings and Outgo	
The Foreign Exchange earned in terms of actual inflows during the year and	1. Total Foreign Exchange Earnings - Rs. 1,700.83/- Lakhs towards value of exports.
The Foreign Exchange outgo during the year in terms of actual outflows	2. Total Foreign Exchange outgo - Rs. 408.50/- Lakhs towards value of imports and Rs. 4.95/- Lakhs towards expenses.

32) SECRETARIAL STANDARDS OF ICSI

The Company is in compliance with the Secretarial Standard on Meetings of the Board of Directors (SS-1) and General Meeting (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government.

33) RISK MANAGEMENT POLICY

As per the applicable requirements of the Companies Act, 2013 a risk management policy/plan of the Company is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues. In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks inter alia are: Regulations, competition, Business risk, Technology obsolescence, Investments, retention of talent and expansion of facilities. Business risk, inter-alia, further includes financial risk, political risk, fidelity risk, legal risk. As a matter of policy, these risks are assessed and steps as appropriate are taken to mitigate the same.

34) LISTING

The Equity Shares of the Company are listed on SME Platform of National Stock Exchange Emerge Platform ("NSE Emerge"). The Company has made payment of Annual Listing Fees and other compliance fees.

35) INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate and efficient internal and external control system, which provides protection to all its assets against loss from unauthorized use and ensures correct reporting of transactions. The internal control systems are further supplemented by internal audits carried out by the respective Internal Auditors of the Company and Periodical review by the management. The Company has put in place proper controls, which are reviewed at regular intervals to ensure that transactions are properly authorised, correctly reported and assets are safeguarded.

36) CORPORATE GOVERNANCE

Integrity and transparency are key factors to our corporate governance practices to ensure that we achieve and will retain the trust of our stakeholders at all times. Corporate governance is about maximizing shareholder value legally, ethically and sustainably. Our Board exercises its fiduciary responsibilities in the widest sense of the term. Our disclosures seek to attain the best practices in international corporate governance. We also endeavor to enhance long-term shareholder value and respect minority rights in all our business decisions.

The Company is listed on NSE Emerge SME Platform. Hence the Corporate Governance requirements as stipulated under the SEBI (Listing Obligation and Disclosure Requirements), 2015 are not applicable to the company but the Company adheres to good corporate practices at all times.

37) AUDITORS AND AUDITORS' REPORT

As per Section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, M/s. J.H. Gandhi & CO., Chartered Accountant, Mumbai, (Firm Registration No.: 0116513W), were appointed as statutory auditors of the Company to fill causal vacancy in the Board Meeting held on 29th October, 2024 to hold the office as a statutory auditors till conclusion of the Annual General Meeting held for the Financial Year 2024-25 at remuneration as may be decided by the board in consultation with statutory auditors, subject to ratification by the members at the every subsequent Annual General Meeting.

The Board of Directors of the Company at their meeting held on 28th May, 2025, based on the recommendation of the Audit Committee, have recommended the appointment of M/s. J.H. Gandhi & CO., Chartered Accountant, Mumbai, (Firm Registration No.: 0116513W), as Statutory Auditors of the Company for a term of 5 (five) consecutive years from the conclusion of 29th AGM till the conclusion of the 34th AGM, i.e. FY 2025-2026 to 2029-2030 subject to the approval of members of the Company. Accordingly an Ordinary Resolution, proposing appointment of M/s. J.H. Gandhi & CO., Chartered Accountant, as Statutory Auditors of the Company for a term of five consecutive years pursuant to section 139 of the Act, forms part of the Notice of the 29th AGM of the Company.

The Company has received written consent and certificate that they satisfy the criteria provided under section 141 of the Act and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and rules framed thereunder.

There are no qualifications, reservations or adverse remarks or disclaimers made by the auditors in their report on the financial statements of the Company for the Financial Year ended March 31, 2025. The notes on the Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any comments or explanations.

38) INTERNAL AUDITORS'

Pursuant to the provisions of Section 138 of Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014 and other applicable provisions if any of the Companies Act, 2013 M/s. Ketan N Shah & Co, Chartered Accountants were appointed as Internal Auditors of Company.

39) COST AUDITORS

The Company has appointed C. B. Modh & Co. (FRN – 101474) as a Cost Auditor of the Company.

40) SECRETARIAL AUDIT AND SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the requirement to take the Secretarial Audit Report from the Peer Review Practicing Company Secretary, the Company has appointed Mrs. Riddhi Shah, Company Secretary in Practice (COP 17035 & PR No. 2037/2022) to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith as Annexure "A" to this Report and it does not contain any qualification reservation or adverse remark.

41) MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of Regulation 34 and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 a review of the performance of the Company for the year under review Management Discussion and Analysis Report is presented in a separate section which is annexed to this Report as Annexure "E".

42) PARTICULARS OF EMPLOYEES U/S 197(12) OF THE COMPANIES ACT, 2013

The Information & Statement of Particulars of employees pursuant to Section 197 of the Companies Act, 2013 and Rule 5 (1) & 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this report as Annexure "C".

43) REPORTING OF FRAUD

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

44) CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to Section 135 of the Companies Act, 2013, the Company has put in place a policy to look after its Corporate Social Responsibility Initiatives.

However The Ministry of Corporate Affairs vide Notification No. G.S.R. 40(E) dated 22nd January, 2021 issued the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, pursuant to which, new sub-section (9) inserted by Companies (Amendment) , Act, 2020 provides that where the amount to be spent by a company does not exceed fifty lakh rupees, the requirement under sub-section (1) for constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such Committee shall be discharged by the Board of Directors of such company.

Pursuant to above amendment the Board looks after the functions of CSR. In pursuance of CSR Policy, the Company has made aggregate contributions of Rs. 21.85 lakh towards its CSR activities during the financial year. The Annual Report on CSR activities is attached with this Report as Annexure "D".

45) WEBSITE

As per Regulation 46 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 the Company has maintained a functional website containing basic information about the Company. The website of the Company is containing information like Policies, Shareholding Pattern, Financial and information of the designated officials of the Company who are responsible for assisting and handling investor grievances for the benefit of all stakeholders of the Company etc.

46) INSOLVENCY AND BANKRUPTCY CODE:

No application has ever been filed against the Company under the Insolvency and Bankruptcy Code, 2016.

47) ONE TIME SETTLEMENT WITH BANKS

There has been no one-time settlement done during the year.

48) GENERAL DISCLOSURE

Your Directors state that the Company has made disclosures in this report for the items prescribed in section 134 (3) of the Act and Rule 8 of The Companies (Accounts) Rules 2014 and other applicable provisions of the act and listing regulations to the extent the transactions took place on those items during the year.

49) ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from the shareholders, financial institutions, bankers and other business constituents during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the commitment by all officers and staff for their continued support during the year.

Place: Mumbai

Date: 28th May, 2025

For Royal Arc Electrodes Limited

Mr. Bipin Sanghvi
Managing Director
DIN: 00462839

Mr. Hardik Sanghvi
Whole Time Director
DIN: 00462839



Annexure A to Board Report

Form No. 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 (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members,

Royal Arc Electrodes Limited

72 B, Bombay Talkies Compound,

S.V. Road, Malad West, Mumbai – 400064

We have conducted Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Royal Arc Electrodes Limited CIN- L31100MH1996PLC096296** (hereinafter referred as '**the Company**'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books and 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 31st March, 2025**, complied with the statutory provisions listed hereunder and also, that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books and papers, minute books, forms and returns filed and other records maintained by the Company for the **Financial Year ended 31st March 2025** according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA'), rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under, to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; Not Applicable
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):- (applicable from 24th February, 2025, the date of listing of equity shares on NSE EMERGE Platform):-
 - 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;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 – Not applicable as the Company has not issued any shares/ options to directors/ employees during the financial year under review;
 - e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client – Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review;
 - f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 – Not applicable as the Company has not delisted/ proposed to delist its equity shares from any Stock Exchange during the financial year under review;
 - g. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 – Not applicable as the Company has not bought back/ proposed to buy-back any of its securities during the financial year under review;

- h. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 – Not Applicable as the Company has not issued and listed Non-Convertible Securities during the financial year under review and;
- i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015.
- j. The Securities and Exchange Board of India (Depositories and Participants Regulations, 2018)

(vi) The Management of the Company represented that fiscal, labour and environmental laws and other Statutes which are applicable to such type of companies, are generally complied with which inter-alia includes the followings which are specifically applicable to the company:

- a. The Air (Prevention and Control of Pollution) Act, 1981;
- b. The Water (Prevention and Control of Pollution) Act, 1974;
- c. The Factories Act, 1948;
- d. The Employees State Insurance Corporation Act, 1948;
- e. The Industries Development and Regulation Act, 1951;
- f. The Standards of Weights and Measures Act, 1976 and
- g. All other applicable laws

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

- i. Secretarial Standards with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India;
- ii. The Listing Agreement entered into by the Company with National Stock Exchange of India Ltd (NSE) in respect of listing of equity shares of the company on NSE EMERGE Platform.

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

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

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors including Woman Director. The changes in the composition of the Board that took place during the year under review were carried out in compliance with the provisions of the Act;
- Adequate notice is given to all Directors to schedule Board and Committee Meetings; agenda and detailed notes on agenda were sent at least seven days in advance (except in few instances where meeting is convened at a shorter notice and for which, if necessary, required approvals are obtained), 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;
- All the decisions of the Board and Committees thereof were carried unanimously.

I further report that there are systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. The adequacy and efficacy shall read in context of reporting as specified in the report.

I further report that during the audit period, there were following specific events / actions having a major bearing on Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc.:

1. Appointment of M/s. J. H. Gandhi & Co. (Firm Registration No.:116513W), Mas Statutory Auditor to fill the casual vacancy created due to the resignation of M/s. Bagadiya & Jain, Chartered Accountants; .
2. During the period under review, the company has completed its Initial Public Offer ("IPO") of issuing 30,00,000 equity shares of Face Value Rs. 10 each ("equity shares") at an issue price of Rs. 120/- per equity share (including a share premium of Rs. 110) aggregating to Rs. 36,00,00,000/-. This comprises of Fresh issue of 18,00,000 equity shares aggregating to Rs. 21,60,00,000/- and an offer for sale of 12,00,000 equity shares aggregating to Rs. 14,40,00,000/-. The equity shares of company got listed on National Stock Exchange Emerge Platform ("NSE Emerge") on 24th February 2025.

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

Riddhi Krunal Shah
Practicing Company Secretary
COP: 17035 / PR No.:2037/2022
UDIN: A020168G000469848
Place: Mumbai
Date: May 28, 2025



Annexure- A

To
The Members,
Royal Arc Electrodes Limited
72 B, Bombay Talkies Compound,
S.V. Road, Malad West, Mumbai – 400064

Our Secretarial Audit Report for the financial year ended 31st March, 2025 of even date is to be read along with this letter.

Management's Responsibility:

1. It is the responsibility of management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility:

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We have conducted the Audit as per the applicable Auditing Standards issued by the Institute of Company Secretaries of India.
4. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
5. Wherever required, we have obtained reasonable assurance whether the statements prepared, documents or Records, in relation to Secretarial Audit, maintained by the Company, are free from misstatement.
6. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer:

7. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted affairs of the Company.
8. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

Riddhi Krunal Shah
Practicing Company Secretary
COP: 17035 / PR No.:2037/2022
UDIN: A020168G000469848
Place: Mumbai
Date: May 28, 2025

Annexure B to Board Report

Form No. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED MARCH 31, 2025 [Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i.	CIN	L31100MH1996PLC096296
ii.	Registration Date	15 th January, 1996
iii.	Name of the Company	ROYAL ARC ELECTRODES LIMITED
iv.	Category / Sub-Category of the Company	Company having Share Capital / Indian Non-Government Company
v.	Address of the Registered office and contact details	72 B, Bombay Talkies Compound, S.V. Road, Malad West, Mumbai -400064, Maharashtra, India Email: cs@royalarc.in , Tel: +91 7888000553,
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	KFIN TECHNOLOGIES LIMITED Selenium Tower-B, Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032, Telangana, India Tel No.: +91 40 6716 2222

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company

SN	Name and Description of main products / services	NIC Code of the Product/ Service	% to total turnover of the company
1	Manufacturing	-	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
1.	NA	NA	NA	NA	NA

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-Wise Shareholding

SN		No. of Shares held at the beginning of the year: 01/04/2024				No. of Shares held at the end of the year :31/03/2025				
	Category of Shareholder	Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	% Change
(A) Shareholding of Promoter and Promoter Group										
1	Indian									
a)	INDIVIDUAL / HUF	1819800	0	1819800	99.99%	8099178	0	8099178	72.96%	(27.03%)
b)	Central Government / State Government	0	0	0	0.00	0	0	0	0.00	0.00
c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d)	Other financial institutions	0	0	0	0.00	0	0	0	0.00	0.00
e)	Any Others (Specify)	0	0	0	0.00	0	0	0	0.00	
1	Group Companies	0	0	0	0.00	0	0	0	0.00	0.00
2	Trusts	0	0	0	0.00	0	0	0	0.00	0.00
3	Directors Relatives	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL :	1819800	0	1819800	99.99%	8099178	0	8099178	72.96%	(27.03%)
2										
a)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
b)	Individual	0	0	0	0.00	0	0	0	0.00	0.00
c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
e)	Any Others (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL :	0	0	0	0.00	0	0	0	0	0.00
3										
a)	Any Others (Specify)									
1	Directors Relatives	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL :	0	0	0	0.00	0	0	0	0.00	0
	Total Public Shareholding	1819800	0	1819800	99.99%	8099178	0	8099178	72.96%	(27.03%)

(B) Public Shareholding									
4	Institutions (Domestic)								
a)	Mutual Funds	0	0	0	0.00	0	0	0	0.00
b)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00
c)	Alternate Investment Funds	0	0	0	0.00	21600	0	21600	0.19
d)	Banks	0	0	0	0.00	0	0	0	0.00
e)	Insurance Companies	0	0	0	0.00	0	0	0	0.00
f)	Provident / Pension	0	0	0	0.00	0	0	0	0.00
g)	Asset Reconstructi on	0	0	0	0.00	0	0	0	0.00
h)	Sovereign Wealth Funds	0	0	0	0.00	0	0	0	0.00
i)	NBFCs registered with RBI	0	0	0	0.00	0	0	0	0.00
j)	Other Financial Institutions	0	0	0	0.00	0	0	0	0.00
	SUB TOTAL (B)(1)	0	0	0	0.00	21600	0	21600	0.19
5	Institutions (Foreign)								
a)	Foreign Direct	0	0	0	0.00	0	0	0	0.00
b)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00
c)	Foreign Sovereign Wealth Funds	0	0	0	0.00	0	0	0	0.00
d)	Foreign Portfolio Investors Category I	0	0	0	0.00	792000	0	792000	7.14
e)	Foreign Portfolio Investors Category II	0	0	0	0.00	0	0	0	0.00
f)	Overseas Depositories (Holding DRs) (Balancing Figure)	0	0	0	0.00	0	0	0	0.00
	SUB TOTAL (B)(2)	0	0	0	0.00	792000	0	792000	7.14

6	Central Government / State Government									
a)	Central Government / President of India	0	0	0	0.00	0	0	0	0.00	0.00
b)	State Government / Governor	0	0	0	0.00	0	0	0	0.00	0.00
c)	Central/State Govt. shareholding by Cos or Bodies Corp	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL	0	0	0	0.00	0	0	0	0.00	0
	(B)(3)									
7	Non-institutions									
	Associate Companies / Subsidiaries	0	0	0	0.00	0	0	0	0.00	0.00
	Directors And their relatives (Non-Promoter)	0	0	0	0.00	0	0	0	0	0
	Key Managerial Personnel	0	0	0	0.00	0	0	0	0.00	0.00
c)	Relatives of Promoters (Non-Promoter)	0	0	0	0.00	0	0	0	0.00	0.00
	Trusts (Non-Promoter)	0	0	0	0.00	0	0	0	0.00	0.00
	Investor Education and Protection Fund (IEPF)	0	0	0	0.00	0	0	0	0.00	0.00
	INDIVIDUALS - i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	1020	0	1020	0.01	944222	0	944222	8.51	8.50
	INDIVIDUAL - ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	0	0	0	0	310800	0	310800	2.80	2.80
	Non Resident Indians (NRIS)	0	0	0	0	80400	0	80400	0.72	0.72
	Foreign	0	0	0	0.00	0	0	0	0.00	0.00

Nationals										
Foreign Companies	0	0	0	0.00	0	0	0	0.00	0.00	
Bodies Corporate	0	0	0	0.00	852000	0	852000	7.68	7.68	
Any Other (Hindu Undivided Family)	0	0	0	0.00	0	0	0	0	0	
SUB TOTAL (B)(4)	1020	0	1020	0.01	2187422	0	2187422	19.71	19.71	
Z	TOTAL	4192000	0	4192000	100.00	11100200	100.00	11100200	100.00	27.03

ii) Shareholding of Promoters & Promoter Group:

SN	Shareholder's Name	Shareholding at beginning of the year 01/04/2024			Shareholding at the end of the year 31/03/2025			
		No of Shares	% of total Shares of the Company	% of Shares pledged/encumbered to total Shares	No of Shares	% of total Shares of the Company	% of Shares pledged/encumbered to total Shares	% Change
1	Bipin Sanghvi	8,92,717	9.60%	Nil	7,21,717	6.50%	Nil	(3.1)
2	Hardik Sanghvi	26,82,750	28.85%	Nil	23,49,750	21.17%	Nil	(7.68)
3	Ami H. Sanghvi	6,38,750	6.87%	Nil	5,18,750	4.67%	Nil	(2.2)
4	Swagat Sanghvi	26,82,750	28.85%	Nil	23,49,750	21.17%	Nil	(7.68)
5	Pooja S. Sanghvi	6,38,750	6.87%	Nil	5,18,750	4.67%	Nil	(2.2)
6	Tarulata B Sanghvi	17,63,461	18.96%	Nil	16,40,461	14.78%	Nil	(4.18)
	TOTAL	92,99,178	99.99%		80,99,178	72.96%	Nil	(27.03)

iii) Change in Promoters Shareholding (please specify, if there is no change)

There is a change. Refer IV(ii) above.

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No	Name	Shareholding as the beginning of the year 24.02.2025 (Listing Date)		Increase/Decrease in Shareholding	Shareholding as the beginning of the year 31.03.2025	
		No. of Shares	%		No. of Shares	%
1	Shreni Shares Limited	582000	5.24	19200	601200	5.42
2	Meru Investment Fund PCC – Cell 1	338400	3.05	-	338400	3.05
3	Mint Focused Growth Fund Pcc- Cell 1	195600	1.76	-	195600	1.76
4	Sanghavi Commodity Private Limited	117600	1.06	4800	122400	1.10
5	Rajiv Mehta	97200	0.88	-	97200	0.88
6	Zeal Global Opportunities Fund	74400	0.67	-	74400	0.67
7	Srinivas Danthuri	84000	0.76	-	84000	0.76
8	Yammada Subramaniyam Venkata	72000	0.65	-	72000	0.65
9	Sonu Jalan	69600	0.63	-	69600	0.63
10	Jainet Trading LLP	67200	0.61	-	67200	0.61

v) Shareholding of Directors and Key Managerial Personnel

A. Directors

Bipin Sanghvi, Hardik Sanghvi and Swagat Sanghvi – Promoter Director – Kindly refer IV(ii).

B. Key Managerial Personnel

SN	Shareholder's Name	Shareholding at beginning of the year 01/04/2024			Shareholding at the end of the year 31/03/2025			
		No of Shares	% of total Shares of the Company	% of Shares pledged/encumbered to total Shares	No of Shares	% of total Shares of the Company	% of Shares pledged/encumbered to total Shares	% Change
1	Bipin Sanghvi	8,92,717	9.60%	Nil	7,21,717	6.50%	Nil	Nil
2	Hardik Sanghvi	26,82,750	28.85%	Nil	23,49,750	21.17%	Nil	Nil
3	Mansi Bagadiya	Nil	Nil	Nil	Nil	Nil	Nil	Nil

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

(Rs. In lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	13.05	-	13.05
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	13.05	-	13.05
Change in Indebtedness during the financial year				
Addition	-	1,447	-	1,447
Reduction	-	1,378.94	-	1,378.94
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	-	81.10	-	81.10
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	81.10	-	81.10

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Rs. In lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Mr. Bipin Sanghvi (CMD)	Mr. Hardik Sanghvi (WTD)	Mr. Swagat Sanghvi (WTD)	
1	Gross Salary				
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	75.37	75.37	75.37	226.11
	b) Value of perquisites under Section 17(2) Income Tax Act, 1961	-	-	-	-
	c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-	-

2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify....Bonus	-	-	-	-
5	Others (Company contribution towards PF, Medical Reimbursement)	0.22	0.22	0.22	0.66
	Total	75.59	75.59	75.59	226.77
	Ceiling as per the Act	180.00	180.00	180.00	

B. Remuneration to other Directors:

Except Managing Director & Whole Time Director, none of the others Directors are paid remuneration.

C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD

(Rs. In lakhs)

Sl. No.	Particulars of Remuneration	Name of KMP		Total Amount
		Mr. Hardik Sanghvi (CFO)	Mrs. Mansi Bagadiya (CS)	
1	Gross Salary			
	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	75.37	3.00	78.37
	Value of perquisites under Section 17(2) Income Tax Act, 1961	-	-	-
	Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- Others, specify....Bonus	-	-	-
5	Others (Company contribution towards PF, Medical Reimbursement)	0.22	-	0.22
	Total	75.59	3.00	78.59

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: NIL

Annexure C to Board Report

STATEMENT OF DISCLOSURE OF REMUNERATION

Pursuant to Section 197 of the Companies Act, 2013 ("the Act") and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

1. The Ratio of the remuneration of each Director to the median Remuneration of the Employees of the Company for Financial Year 2024-25.

Sr. No.	Name of Director	Ratio
1	Mr. Bipin Shantilal Sanghvi	50.99
2	Mr. Hardik Bipin Sanghvi	50.99
3	Mr. Swagat Bipin Sanghvi	50.99
4	Mrs. Jayna B Mehta	-
5	Mr. Rahul Rajan Vattamparambil	-
6	Mr. Kunal Kamlesh Turakhia	-

2. Percentage of increase in Remuneration of each Director, CFO, CEO, Company Secretary or Manager, if any in the financial Year 2024-25.

Sr. No.	Name of Director	Designation	% Increase in Remuneration
1	Mr. Bipin Shantilal Sanghvi	Chairman & Managing Director	0.15%
2	Mr. Hardik Bipin Sanghvi	Executive Director	0.15%
3	Mr. Swagat Bipin Sanghvi	Executive Director	0.15%
4	Mrs. Jayna B Mehta	Independent Director	-
5	Mr. Rahul Rajan Vattamparambil	Independent Director	-
6	Mr. Kunal Kamlesh Turakhia	Independent Director	-
7	Mrs. Mansi Maulik Bagadiya	Company Secretary	-

3. The Median remuneration of employees of the company during the Financial Year 2024-25 was Rs. 1.47 Lakhs.

4. There was decrease in the median remuneration of the employees in the financial year 2024-25 around 12.64%.

5. The number of permanent employees on the rolls of company is 192.

6. The average increase of the remuneration of employees is in line with the current year's performance, market dynamics and as a measure to motivate the employees for better future performance to achieve the organization's growth expectations.

7. The Company affirms remuneration is as per the Remuneration Policy of the Company.

DISCLOSURE ON REMUNERATION OF TOP TEN EMPLOYEES OF THE COMPANY IN TERMS OF SALARY DRAWN AS REQUIRED UNDER SECTION 134(3) (Q) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

Sr. No.	Name	Age (Years)	Designation	Experience (Year)	Date of Commencement of employment	Nature of Employment	Relationship to any Director	Number of Shares Held
1	MR. SRIKANT G.V	54	PRODN.MANAGER.	30	23/08/2024	Skilled	NA	Nil
2	MR. S. SHARMA	44	H.O.D. [H.R. & ADMIN.]	13	15/07/2019	Skilled	NA	Nil
3	MR. A. KUSHWAHA	36	SR.MGR.- BUSINESS DEV. [BHILAI] - [MKTG.]	12	01/06/2013	Skilled	NA	Nil
4	MR. T. DHOTRE	34	GEN.MGR. [MKTG.]	12	03/01/2022	Skilled	NA	Nil
5	MR. K. SHAIKH	41	MANAGER-SALES	20	01/06/2014	Skilled	NA	Nil
6	MR. Y. PATIL	47	PRODN.MANAGER.	22	01/10/2014	Skilled	NA	Nil
7	MR. S. K. ALI	50	AREA SALES MANAGER (ORISSA)	16	15/01/2012	Skilled	NA	Nil
8	MISS R. MANANI	29	EXPORT MANAGER	7	04/02/2022	Skilled	NA	Nil
9	MISS C. MUKNAK	36	TENDER CO-ORDINATOR	16	01/08/2020	Skilled	NA	Nil
10	MR. Q. MAPARI	57	SR. WELDER	28	02/05/2006	Skilled	NA	Nil

The statement of remuneration will be made available for inspection by the Members during the business hours on any working day, 21 days prior to the date of AGM. Interested Members may write to the Company for obtaining a copy of the same.

Annexure D to Board Report

ANNUAL REPORT ON CSR ACTIVITIES OF THE COMPANY for the Financial Year 2024-2025 as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014.

1. Brief outline on CSR Policy of the Company:

The Company's CSR policy is based on the firm belief that there can be nothing better than enriching the human capital of the society which can provide a sustainable socio-economic impact. Company strives to have a positive impact on the communities in which we live and operate. The Company's CSR initiative has been directed to provide to the most economically and socially marginalized people, particularly children, women and the differently-abled, an easy access to better education, vocational training, health care and rural development.

2. Composition of CSR Committee- **Not Applicable** pursuant to Notification No. G.S.R. 40(E) dated 22nd January, 2021 issued the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021

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: https://royalarc.in/wp-content/uploads/2025/07/CSR_Policy_RAEL.pdf

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. - **Not Applicable**.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any **Not Applicable**

6. Average net profit of the company as per section 135(5): **Rs. 1,092.18 Lakhs**

7. (a) Two percent of average net profit of the company as per section 135(5): **Rs. 21.85 Lakhs/-**

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. Not applicable

(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). **Rs. 21.85 Lakhs/-**

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

Total amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	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
Rs. 21.85 Lakhs	NA	NA	NA	NA	NA

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
SI No.	Name of the project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	State	District	Amount spent for the Project (in Rs. In Lakhs)	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
								Name	CSR Registration No.
1.	Promoting education, vocational training & health care mainly to economically and socially marginalized people	As per schedule VII of the Act.	Yes	Maharashtra	Maharashtra	21.85	No.	Jeevan Jyoti Educational Society	CSR00068384

(c) Amount spent in Administrative Overheads: NIL

(d) Amount spent on Impact Assessment, if applicable: Not Applicable

(e) Total amount spent for the Financial Year (7a+7b+7c+7d): Rs. 21.85 Lakhs.

(f) Excess amount for set off, if any

SI No.	Particulars	Amount in Lakhs
(i)	Two percent of average net profit of the company as per section 135(5)	Rs. 21.85
(ii)	Total amount spent for the Financial Year	Rs. 21.85
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Not applicable
(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: **Not Applicable**

 (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Not Applicable**

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). **Not Applicable**

- (a) Date of creation or acquisition of the capital asset(s).
- (b) Amount of CSR spent for creation or acquisition of capital asset.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

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**

Place: Mumbai
Date: 28th May, 2025



For and on behalf of the Board
FOR ROYAL ARC ELECTRODES LTD

Mr. BIPIN SHANTILAL SANGHVI
Managing Director
DIN: 00462839

Annexure E to Board Report

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Global Economy

As of 2025, the global economy is experiencing a period of slow but steady growth, marked by regional disparities and heightened geopolitical uncertainty. The International Monetary Fund (IMF), in its April 2025 update, revised its global growth forecast for 2025 downward to 2.8% from an earlier statement of 3.3%, citing the impact of new trade restrictions, rising uncertainties, weakening investor and consumer sentiment. Growth in advanced economies remains sluggish, whereas emerging markets like India and China are driving momentum, with India expected to grow by 6.4%.

The global manufacturing industry is undergoing a major transformation driven by technological innovation, shifting trade dynamics, and growing demand for sustainable production. While overall growth has slowed due to global economic uncertainty and supply chain disruptions, sectors such as automotive (especially electric vehicles), electronics, renewable energy components, and pharmaceuticals remain strong.

The adoption of Industry 4.0 technologies—including automation, AI, IoT, and advanced robotics, has accelerated, particularly in developed markets like the U.S., Germany, and Japan, as manufacturers seek to improve efficiency and resilience. Meanwhile, emerging economies like India, are becoming increasingly important manufacturing hubs due to their lower costs, expanding infrastructure, and government-backed industrial policies. Sustainability is also a key focus, with manufacturers investing in energy-efficient technologies and circular production models to meet global climate goals and regulatory pressures. Despite headwinds such as trade tensions, labor shortages, and geopolitical instability, the global manufacturing sector remains a cornerstone of economic development and is expected to gradually rebound as global demand stabilizes.

Indian Welding Industry

The Indian welding industry is undergoing significant transformation, driven by infrastructure growth, expanding automotive and aerospace sectors, renewable energy projects, railway modernization, government initiatives and increased adoption of automation and advanced welding technologies. The manufacturing industry under which welding falls contributed roughly 16 – 17% to India's GDP in recent years.

The India welding equipment market size is estimated to reach 6500Cr and significantly contribute to smooth functioning of all manufacturing sectors of the country. Currently, nearly 45% welding equipment and 50% specific consumable (flux core wires) are being imported. Government initiatives like Make in India & Atmanirbhar Bharat has increased local manufacturing and reduced import dependence, having led to growth in domestic welding equipment and consumables manufacturing. Government initiatives such as the PM Gati Shakti Master Plan, Smart Cities Mission, and Bharatmala are fueling demand for welding in construction and infrastructure. India is the world's third-largest automobile market. EV manufacturing is boosting demand for precision welding technologies like laser and robotic welding. Growth in renewables (solar/wind) and expansion in oil & gas pipelines is increasing demand for high-quality welding processes like TIG, MIG/MAG, and SAW. The industry is embedded in heavy industries like metal fabrication,

automotive, infrastructure and defense. It is crucial to sectors like construction, shipbuilding, energy, railways and heavy engineering. Collectively our country is moving towards current technology trends like use of Automation & Robotics in automotive, railways, and heavy fabrications; high-precision applications in defense manufacturing led to increasing popularity for Laser Welding; Welding process simulation software being used for training and testing welds virtually, and extensive adoption of innovative welding technologies for enhanced efficiency and durability.

Details of significant changes in key financial ratios along with explanation.

In compliance with the requirements of the Listing Regulations, the key financial ratios of the company along with explanation for the significant change (i.e., for change of 25% or more as compared to the immediately previous financial year will be termed as significant changes), has been provided here under:

Particulars	31-03-2025	31-03-2024	Change in %	Reasons
(a) Current Ratio	7.39%	3.78%	95.53%	Current Ratio has increased during the year due to increase in the trade receivables and inventories. Further, the ratio has increased due to a decrease in the trade payables
(b) Debt-Equity Ratio	1.14%	0.47%	143.63%	Debt-Equity Ratio has increased due to increase in short term borrowings during the period
(c) Debt-Service Coverage Ratio	312.47%	219.27%	42.50%	Debt-Service Coverage Ratio has increased due to changes in net profits and decrease in interest obligations on account short term borrowings during the year
(d) Return on Equity Ratio	15.79%	33.00%	-52.17%	Decrease in Return on Equity ratio is on account of decrease in Profit after Tax whilst increase in average shareholder's equity.
(e) Inventory Turnover Ratio	5.96%	8.73%	-31.75%	Inventory turnover ratio has increased on account of increase in average inventory.
(g) Trade Payable Turnover Ratio	14.70%	10.46%	40.53%	Trade payable turnover ratio has increased due to Increase in purchases during the year whilst decrease in the average trade payables.
(h) Net Capital Turnover Ratio	2.81%	4.92%	-42.95%	Net Capital Turnover Ratio has reduced due to increase in average working capital during the year.
(i) Net Profit Ratio	8.85%	12.12%	-26.96%	Net profit ratio has decreased on account of decrease in PAT despite marginal increase in the turnover.
(j) Return on Capital Employed	17.07%	37.83%	-54.88%	Return on capital employed has decreased during the year on account of increase in the capital employed as compared to previous year and decrease in EBIT during the year
(k) Return on Investment	11.59%	0.13%	8499.10%	Return on investment has increased during the year on account of significant short term capital gain made as compared to previous year and marginal increase in the rental income earned on the investment in property and during the year

(i) Interest Coverage Ratio	1.05%	0.29%	263.44%	Interest Coverage Ratio has increased during the year on account of decrease in EBIDTA as compared to previous year and increase in the interest expense during the year
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Risks and Concerns

The business operates in a dynamic environment where risks and concerns are inevitable.

To address these concerns, the company employs comprehensive risk management strategies, including regular market assessments, contingency planning and continuous innovation.

By staying ahead of industry trends and maintaining a robust risk mitigation framework, the business aims to minimize potential disruptions and secure long-term growth. Stakeholders are informed about the potential risks and the measures in place to counteract them, ensuring transparency and fostering trust in the company's risk management approach.

Internal Control Systems and their Adequacy

The Company maintains a robust framework of internal controls, guided by policies and guidelines, which include periodic monitoring, assessment, and internal audits. The company has a well-defined Internal Audit System, with its scope reviewed and finalized annually in consultation with Statutory Auditors and approved by the Audit Committee which regularly provides guidance on coverage, scope, and corrective measures. The Company has a strong compliance record with all legal and statutory authorities and ensures adherence to all the applicable provisions. The scope of internal audits covers accounting, operational controls, financial reporting, statutory and other compliances, and operational areas, with an aim to align with the requirements of Internal Control on Financial Reporting (ICFR). The company's internal, statutory, and secretarial auditors perform periodic checks for fraud prevention, accuracy of records, timely financial statement preparation, and statutory compliances.

COMPLIANCE CERTIFICATE

MANAGING DIRECTOR /CEO AND CHIEF FINANCIAL OFFICER CERTIFICATION
Regulation 17(8) and 33(2)(a) of SEBI(LODR)2015

A. We have reviewed audited Financial Statements and cash flow statement for the year 2024-25 and that to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violates listed entity's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal control systems of the Company for such reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies, if any, in the design or operation of such internal controls, of which we are aware of and the steps taken and/or proposed to be taken to rectify these deficiencies.

D. We have also indicated to the Auditors and the Audit Committee.

1. Significant changes in Internal Controls with respect to financial reporting during the year.
2. Significant changes in accounting policies during the Year and these have been disclosed in the notes to the financial statements.
3. Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Place: Mumbai

Date: 28th May, 2025

For Royal Arc Electrodes Limited

Mr. Bipin Sanghvi
Managing Director
DIN: 00462839

Mr. Hardik Sanghvi
Whole Time Director
DIN: 00462839

DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT

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

To,
The Members,
Royal Arc Electrodes Limited
Mumbai

I, Mr. Bipin Sanghvi, Managing Director of Royal Arc Electrodes Limited hereby declare that all the board members and senior executives one level below the executive directors including all functional heads have affirmed for the financial year ended 31st March, 2025, compliance with the code of conduct of the Company laid down for them.

Place: Mumbai
Date: 28th May, 2025

For Royal Arc Electrodes Limited

Mr. Bipin Sanghvi
Managing Director
DIN: 00462839



CERTIFICATE OF NON DISQUALIFICATION OF DIRECTORS

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

To
The Members,
Royal Arc Electrodes Limited
72 B, Bombay Talkies Compound,
S.V. Road, Malad West, Mumbai – 400064

I have examined the relevant registers, records, forms, returns and disclosure received from the Directors of Royal Arc Electrodes Limited having CIN L31100MH1996PLC096296 and having registered office at 72 B, Bombay Talkies Compound, S.V. Road, Malad West, Mumbai – 400064 (hereinafter referred to as 'the Company') produced before us by the Company for the purpose of issuing this certificate in accordance with Regulation 34(3) read with Schedule V Para C sub Clause (10)(i) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.

In my opinion and to the best of my knowledge and according to the verifications including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanation furnished to us by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below have been debarred or disqualified for the financial year ended 31st March 2025 from being appointed or continuing as Directors of Companies by the Securities Exchange Board of India, Ministry of Corporate Affairs or such other statutory Authority.

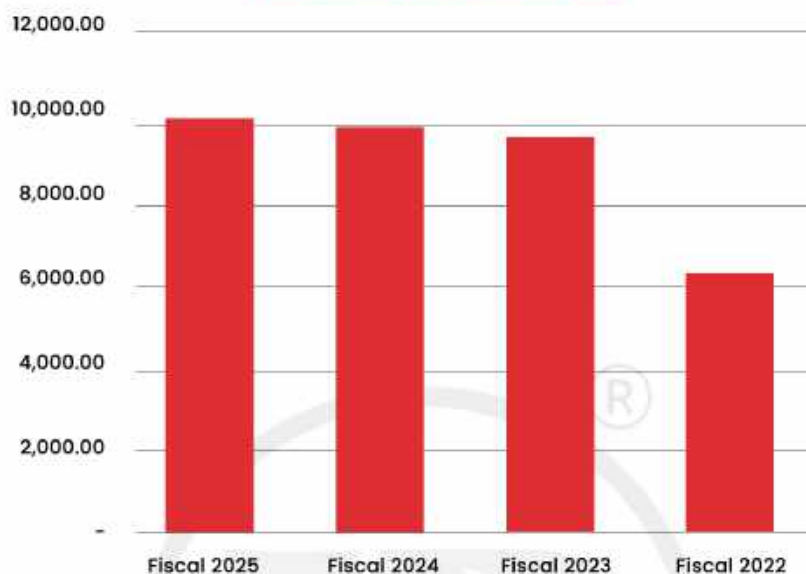
SN	Name of the Director	DIN	Date of appointment in the Company
1.	Bipin Shantilal Sanghvi	00462839	15/01/1996
2.	Hardik Bipin Sanghvi	00617415	01/12/2002
3.	Swagat Bipin Sanghvi	01695341	16/08/2010
4.	Jayna B Mehta	10455416	16/01/2024
5.	Kunal Kamlesh Turakhia	10455417	16/01/2024
6.	Rahul Rajan Vattamparambil	10455717	16/01/2024

Ensuring the eligibility for the appointment or continuity of every Director on the Board of above referred Company is the responsibility of the management of the Company. My responsibility is to express an opinion as stated above based on the verification. This certificate is neither an assurance as to the future viability of the Company or effectiveness with which the management has conducted the affairs of the Company.

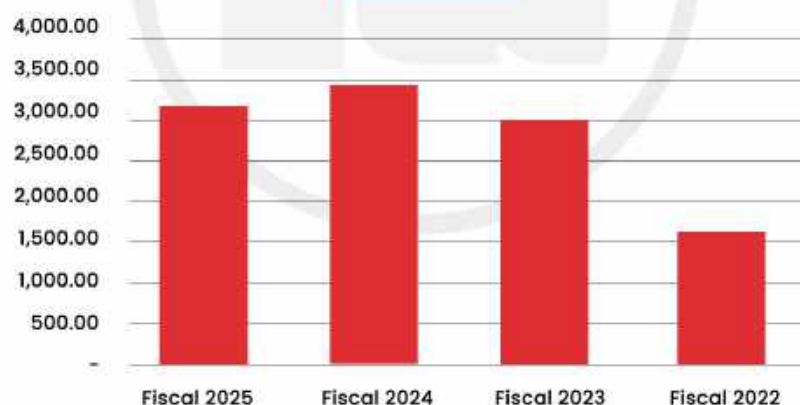
Riddhi Krunal Shah
Practicing Company Secretary
COP: 17035 / PR No.:2037/2022
UDIN: A020168G000469892
Place: Mumbai
Date: May 28, 2025

FINANCIAL HIGHLIGHTS

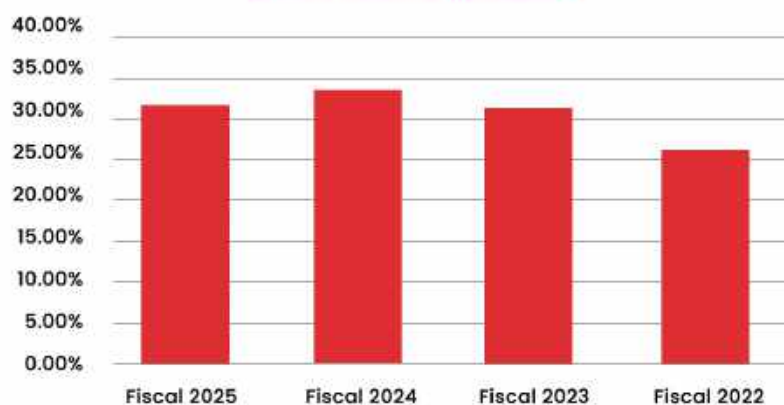
Revenue from operations



Gross Profit

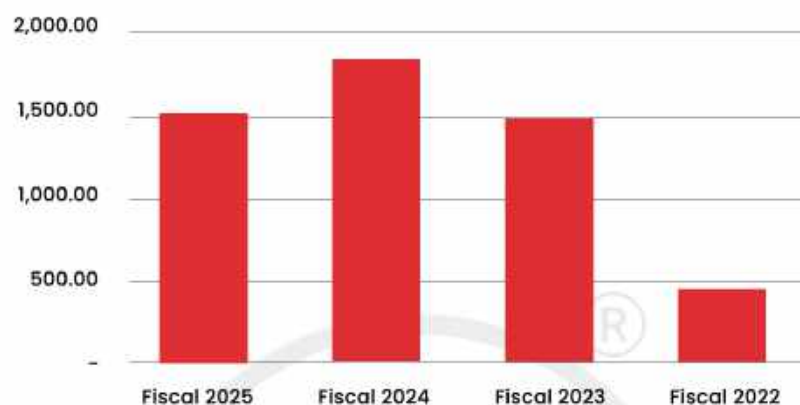


Gross Profit Margin(%)

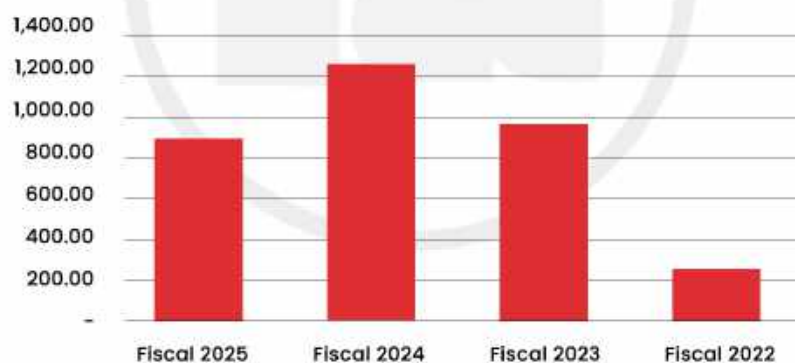


FINANCIAL HIGHLIGHTS

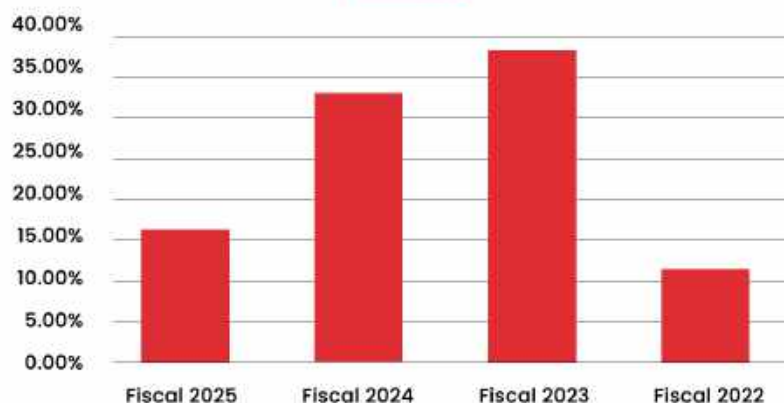
EBITDA



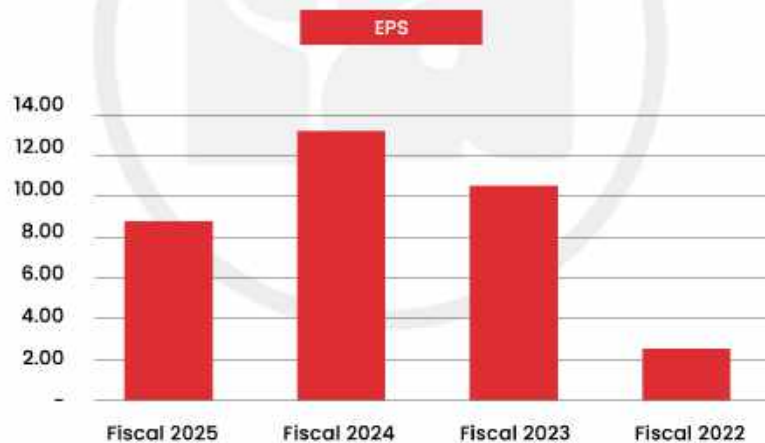
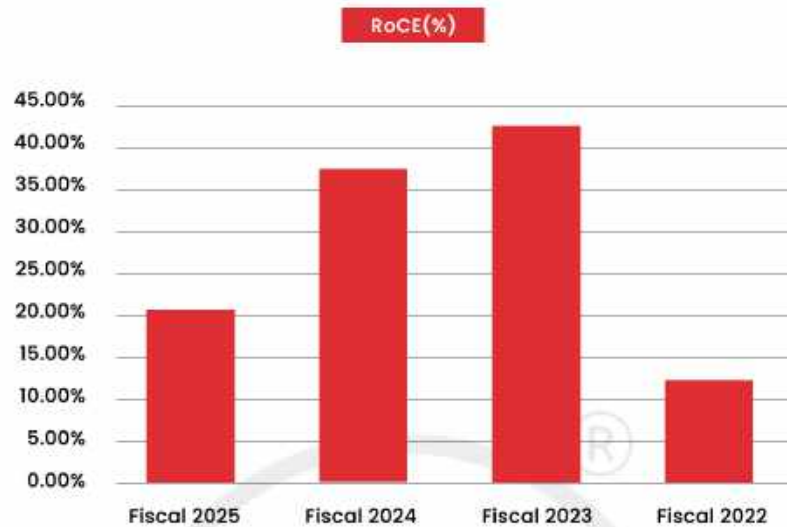
PAT



RoE(%)



FINANCIAL HIGHLIGHTS



INDEPENDENT AUDITORS REPORT

To,
THE MEMBERS
ROYAL ARC ELECTRODES LIMITED.

Opinion

We have audited the accompanying financial statements of M/S ROYAL ARC ELECTRODES LIMITED, (hereinafter referred to as the 'Company'), (CIN: L31100MH1996PLC096296) which comprises of the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss and statement of cash flows for the period ended on that date, and the notes to the financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements gives the information required by the Companies Act, 2013 ("the Act") in the manner so required and gives a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021, as amended, ("AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, the Profit and loss and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the said financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significant in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Based on the examination of the books of accounts and explanations provided to us, we are of the opinion that there are no key audit matters that requires disclosure in our report.

Information other than the Financial Statement and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis and Board of Director's report including Annexure to the Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

The Board of Director's Report including Annexure thereto, are expected to be made available to us. Any Material misstatement thereon pertaining to it, will be reported thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the preparation of Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management;
- Conclude on the appropriateness of management and Board of Director'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 ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the Financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(II) of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid Financial Statements;
 - B. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Financial Statements have been kept so far as it appears from our examination of those books;
 - C. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Financial Statements;
 - D. In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with of the Companies (Accounts) Rules, 2021;
 - E. On the basis of the written representations received from the directors of the Company as on 31st March, 2025 taken on record by the Management and Board of Directors, none of the directors of the Company companies incorporated in India is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164(2) of the Act;
 - F. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal controls over the financial reporting.
 - G. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(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 of section 197 of the Act; and
 - 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The company does not have any pending litigation cases which would impact its financial statements as of March 31, 2025;
 - ii) The company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii) There is no amount which is required to be transferred to the Investors Education and Protection Fund by the Company.
 - iv)
 - a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been 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(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the presentation under sub clause(i) and(ii) of Rule 11(e), as provided under a) and b) above, contain any material misstatement.
- v) The company has not declared or paid any dividend during the year and hence, compliance with section 123 of the Act is not applicable.
- vi) Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. Additionally, as proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2025.

For, J.H. Gandhi & Co.
Chartered Accountants
FRN - 0116513W

CA Jasmit H Gandhi
Proprietor
Membership Number: 044844
Place: Mumbai
Date: 28/05/2025
UDIN: 25044844BMLMLF6814

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Refer to paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Royal Arc Electrodes Limited for the year ended March 31, 2025.)

In terms of Companies (Auditor's Report) Order 2020, issued by the Central Government of India, in terms of section 143(11) of The Companies Act, 2013, we further report, on the matters specified in paragraph 3 and 4 of the said Order, that: -

Para 3 (i) According to the information and explanation given to us on the basis of our examination of the records of the company, in respect of its property, plant & equipment and intangible assets:

- (a) A) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
- (B) The company is maintaining proper records showing full particulars of intangible assets.
- (b) The Property, Plant & Equipment have been physically verified during the year by the management at reasonable intervals.
- (c) The company has a program of verification to cover all the items of Property, Plant and Equipment (PPE) in a phased manner which in our opinion, is reasonable having regard to the size of the company and the nature of the assets. Pursuant to the program, certain PPE were physically verified by management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (d) According to information and explanations given to us, original title deeds of following immovable properties have been lodged with bank for obtaining secured loans as per details given below:

Details of Immovable Assets	Name of Bank	Available documents for verification
Land & Building	HSBC Bank Limited Exclusive charge on industrial property located at Plot No. 6, Survey No. 91/Paiki -4 of Village Zaroli, Bhilad Road, Valsad, Gujrat - 396105	Certified list and photocopies of documents

- (e) The company has not revalued its Property, Plant & Equipment or Intangible assets during the year and hence reporting under clause 3(i)(d) of the order is not applicable.
- (f) According to the information and explanations given to us, no proceedings have been initiated against the company for holding benami property under The Benami Transactions (Prohibition) Act, 1988 and rules made thereunder and hence reporting under clause 3(i)(e) of the order is not applicable.

Para 3 (ii)

- (a) The inventory has been physically verified by the Management at regular intervals during the year. In our opinion the frequency of verification, coverage and procedure of such verification by the management is appropriate. No Discrepancies of 10% or more in aggregate for each class of inventories were noticed on such physical verification of inventories procedures performed as applicable, when compared with books of account.
- (b) The Company has not been sanctioned any working capital limits in excess of ₹5crore, in aggregate, from banks on the basis of security of current assets.

Para 3 (iii)

In our opinion and according to the information and explanations given to us and the records produced, the company has not made investments in, provided any guarantee or security, granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, LLPs, or any other parties during the year, hence reporting under paragraph 3(iii)(a) to (f) of the Order are not applicable to the company.

Para 3 (iv)

In our opinion, according to the information and explanations given to us, and as per the records examined by us, the company has not given any loans, not made any investments and has not provided any guarantees and securities within the meaning of Sections 185 and 186 of the Companies Act, 2013.

Para 3 (v)

According to the information and explanations given to us and based on examination of records, the company has not accepted any deposits from the public within the meaning of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules made thereunder. Hence reporting under clause 3(v) of the order is not applicable.

Para 3 (vi)

We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Act, related to the manufacturing activities, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

Para 3 (vii) According to the information and explanation given to us, in respect of statutory dues:

- (a) The company is regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employee's State Insurance, Income Tax, Cess and other statutory dues applicable to it with the appropriate authorities during the year. According to information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of the statutory dues were outstanding, at the end of the period ended 31, March 2025, for a period of more than six months from the date they become payable.
- (b) According to records of the company, there are no statutory dues which have not been deposited on account of any dispute as on 31 March, 2025.

Para 3 (viii)

The company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessment under the Income Tax Act, 1961, as income during the year. Accordingly, reporting under Clause 3(viii) of the order is not applicable to the company.

Para 3 (ix)

According to the information and explanations given to us and the records verified, in our opinion:

- (a) The Company has not defaulted in any repayment of dues to any financial institution or bank or debenture holders. Hence reporting under clause (ix)(a) is not applicable.
- (b) The Company has not been declared as a wilful defaulter by any bank or financial institution or government or any government authority. Hence reporting under clause (ix)(b) is not applicable.
- (c) The term loans availed by the company, have been utilised by the company during the year for the purposes for which they were obtained.
- (d) There are no funds raised on short term basis which have been utilised for long term purposes by the company.
- (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Hence reporting under clause (ix)(e) is not applicable.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence reporting under clause (ix)(f) is not applicable.

Para 3 (x)

(a) During the year, the company has successfully completed its Initial Public Offering (IPO), issuing 30,00,000 equity shares of Face Value Rs. 10 each at an issue price of Rs. 120/- per equity share (including a share premium of Rs. 110) aggregating to Rs. 36,00,00,000/- IPO proceeds were utilised in accordance with the objects of the offer, and the newly issued shares are listed and traded on the stock exchange. Surplus Funds which are not required for immediate utilisation have been temporarily invested in deposits with scheduled bank.

Nature of the fund raised	Purposes for which fund were raised	Total Amount Raised / Opening unutilized / Balance	Amount utilized for the purpose	Unutilized balance as at Balance Sheet Date	Remarks
Capital	Funding towards the expansion of our manufacturing facility situated at Village Zaroli, Umbergaon Valsad, Gujarat, Bharat	4,88,66,000	32,80,000	0	To be utilized in FY 2025-26
Revenue	Funding the working capital requirements of our Company	14,00,00,000	1,23,38,250	0	N.A.
Revenue	General corporate purposes	2,71,34,000	1,89,81,750	0	N.A.

(b) The company has not made any preferential allotment or private placement of shares/debentures during the year.

Para 3 (xi)

(a) Based upon the audit procedures performed and information and explanations given to us by the management, we report that no fraud by the company or on the company by its officers/employees have been noticed or reported during the course of our audit.

(b) To the best of our knowledge and information available with us a report under section 143(12) of the Act, in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the order is not applicable to the company.

(c) As per explanation given by the management, there were no whistle blower complaints received by the Company during the year and up to the date of this report.

Para 3 (xii)

The company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report of clause 3(xii) of the Order are not applicable to the company and hence not reported on.

Para 3 (xiii)

In our opinion and according to the information and explanation given to us, based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the act, where applicable and details of such transaction have been disclosed in the financial statements as required by the applicable accounting standards.

Para 3 (xiv)

- (a) In our opinion, the company has an adequate internal audit system commensurate with the size and nature of its business.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

Para 3 (xv)

The company has not entered into any non-cash transactions with directors or persons connected with directors, during the year. Hence, the provisions of Section 192 of Companies Act, 2013 are not applicable to the company. Accordingly, clause 3(xv) of the order is not applicable.

Para 3 (xvi)

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 are not applicable. In our opinion, as the company is not core investment company, the clause 3(xvi)(d) of the order is not applicable.

Para 3 (xvii)

Based on our examination of the records and according to the information and explanation given to us, the Company has not incurred cash losses during the financial year and in the immediately preceding the financial year. Hence reporting under paragraph 3(xvii) of the order is not applicable to the company.

Para 3 (xviii)

There has been resignation of the statutory auditors during the FY 2023-24. Bagadiya & Jain Chartered Accountants company has resigned as statutory auditors on 28/10/2024. With effect from 31/10/2024 J.H. Gandhi & Co. have been appointed as Statutory auditors for F.Y. 2024-25. However, there are no objections, issues or concerns raised by the outgoing auditors.

Para 3 (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, the auditor's knowledge of the Board of Directors and management plans, and based on our examination of the evidence supporting the assumptions, we are of the opinion that no material uncertainty exists as on the date of the audit report, that company is 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.

Para 3 (xx)

The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub section (6) of Section 135 of the said Act.

Para 3 (xxi)

The reporting under para 3(xxi) of the order is not applicable in respect of audit of standalone financial statements of the company, accordingly no comment has been included in respect of clause (xxi) of the order under this report.

For, J.H. Gandhi & Co.
Chartered Accountants
FRN - 0116513W

CA Jasmit H Gandhi
Proprietor
Membership Number: 044844
Place: Mumbai
Date: 28/05/2025
UDIN: 250448448MLMLF6814

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Annexure B to the Independent Auditor's Report of even date to the members of Royal Arc Electrodes Limited
Report on the Internal 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 Royal Arc Electrodes Limited ("the Company") as on 31st March, 2025 in conjunction with our audit of the financial statements of the company for the Year ended on that date.

Management responsibility for Internal Financial Controls

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

Auditors Responsibility

Our Responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (The 'Guidance Note') and the standards on Auditing, issued by ICAI and deemed to be prescribed under 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirement and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial Controls over financial reporting were established and maintained and if such controls operated effectively in all material aspects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the financial controls system over financial reporting period 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 the internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of the 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 audit opinion on the company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial reporting

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

- (1) Pertain to the maintenance of records that, in reasonable details, accurately and fairly reflect the transactions and dispositions of the asset 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 authorization of the management and directors of the company;
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material aspects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at on 31st March , 2025, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial controls over Financial Reporting Issued by the Chartered Accountants of India.

For, J.H. Gandhi & Co.
Chartered Accountants
FRN - 0116513W

CA Jasmit H Gandhi
Proprietor
Membership Number: 044844
Place: Mumbai
Date: 28/05/2025
UDIN: 25044844BMLMLF6814



**BALANCE SHEET, STATEMENT OF PROFIT & LOSS AND
 CASH FLOW STATEMENT ALONGWITH NOTES**
BALANCE SHEET AS AT MARCH 31, 2025

(Rs. In Lakh)

Particulars	Note No.	As at 31 March 2025	As at 31 March 2024
I EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share Capital	2	1,110.02	930.02
(b) Reserves and Surplus	3	6,067.54	3,300.85
		7,177.56	4,230.87
(2) Non-current liabilities			
(a) Long-term Borrowing	4	-	-
(b) Deferred Tax Liabilities (net)	5	58.49	74.54
(c) Other Long-term Liabilities	6	24.91	26.65
(d) Long-term Provisions	7	59.27	44.45
		142.67	145.64
(3) Current liabilities			
(a) Short-term Borrowings	8	81.48	19.71
(b) Trade Payables	9		
- Dues to MSME		235.18	350.86
- Dues to Others		242.69	187.41
(c) Other Current Liabilities	10	106.92	165.52
(d) Short-term Provisions	7	98.78	124.64
		765.05	848.14
Total Equity and Liabilities		8,085.28	5,224.65
II ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment and Intangible Assets	11		
(i) Property, Plant and Equipment		1,971.73	1,625.02
(ii) Intangible Assets		0.38	0.45
(iii) Capital Work in Progress		232.85	98.56
		2,204.96	1,724.03
(b) Non-Current Investments	12	147.69	222.57
(c) Other Non-Current Assets	13	77.24	71.64
		2,429.89	2,018.24
(2) Current Assets			
(a) Inventories	14	1,428.18	904.22
(b) Trade Receivables	15	2,093.31	2,067.72
(c) Cash and Bank Balances	16	1,930.32	95.66
(d) Short-term Loans and Advances	17	184.45	122.83
(e) Other Current Assets	18	19.13	15.98
		5,655.39	3,206.41
Total Assets		8,085.28	5,224.65
Significant accounting policies	1		

Significant accounting policies and notes attached thereto form an integral part of the financial statements.

As per our report of even date attached

For and on behalf of the Board of Directors

For, J.H. Gandhi & Co.
Chartered Accountants
FRN - 0116513W

Royal Arc Electrodes Limited

CA Jasmit H Gandhi
Proprietor
Membership Number: 044844
Place: Mumbai
Date: 28/05/2025
UDIN: 25044844BMLMLF6814

Mr. Bipin Sanghvi
Chairman & Managing Director
DIN: 00462839

Mr. Swagat Sanghvi
Whole-time Director
DIN: 01695341



Mansi Bagadiya
Company Secretary
M. No.: A56143

Place : Mumbai
Date: 28/05/2025

Mr. Hardik Sanghvi
Whole-time Director & Chief
Financial Officer
DIN: 00617415

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2025

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
[A] CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before tax as per the Statement of Profit and Loss	1,203.75	1,631.12
<u>Adjustments for non-operating income and expenses:</u>		
(1) Non-operating Expenses:		
Depreciation / Amortisation Expenses	295.10	180.85
Finance Cost	21.50	9.89
(2) Non-operating Income:		
Rent Income	(1.10)	(0.18)
Profit on sale of asset	(2.40)	(0.39)
Dividend Income	(0.17)	(0.12)
Gain on sale of shares	(15.85)	-
Interest Income	(16.68)	(15.61)
Operating profit before working capital changes	1,484.15	1,805.56
<u>Adjustments for changes in working capital:</u>		
Increase/(Decrease) in Trade Payables	(60.39)	(240.63)
Increase/(Decrease) in Other Current Liabilities	(58.60)	42.74
Increase/(Decrease) in Short-Term Provisions	(25.86)	394.08
Increase/(Decrease) in Long-Term Provisions	14.83	7.53
(Increase)/Decrease in Inventories	(523.96)	(297.53)
(Increase)/Decrease in Trade Receivables	(25.59)	(424.00)
(Increase)/Decrease in Short-term Loans & Advances	(61.62)	(326.19)
(Increase)/Decrease in Other Current Assets	(3.15)	29.25
Operating Gain after working capital changes	739.80	990.81
<u>Other Adjustments:</u>		
(Increase)/Decrease in Other non-current assets	(5.60)	(23.62)
Cash generated from operating activities before taxes	734.20	967.19
Less: Direct Taxes Paid (Net of Refunds)	(319.21)	405.56
Net cash generated from (utilised in) operating activities [A]	414.99	561.63
[B] CASH FLOW FROM INVESTING ACTIVITIES:		
(Purchase) / Sale of assets	(776.03)	(507.54)
(Purchase) / Sale of Investments	74.88	(87.05)
Profit / (loss) on sale of asset/Investment	18.25	
Interest received	16.68	15.61
Dividend income	0.17	0.12
Rent received	1.10	0.18
Net cash generated from (utilised in) Investing activities [B]	(664.95)	(578.68)

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
[C] CASH FLOW FROM FINANCING ACTIVITIES:		
Net Proceeds From Fresh Issue of Shares	2,046.11	
Increase/(Repayment) in Long-term borrowing	-	(43.03)
Increase/(Decrease) in Other Long term liabilities	(1.75)	(57.28)
Increase/(Decrease) in Short-term Borrowings	61.76	(78.98)
Finance Cost	(21.50)	(9.89)
Net cash generated from (utilised in) Investing activities [C]	2,084.63	(189.18)
Net Increase/ (Decrease) in Cash and Cash Equivalents [A + B + C]	1,834.67	(206.23)
Cash & Cash Equivalents at the beginning of the year	95.66	301.89
Cash & Cash Equivalents at the end of the year	1,930.32	95.66

Notes to the Cash Flow Statement:

1 The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3(AS-3)* Cash Flow Statement).

Cash Flow Statement).

2 Previous year figures have been regrouped wherever necessary.

3 Cash and cash equivalents comprises of below:

Cash in Hand	11.48	7.86
Balance with Scheduled Banks		
In Current account	189.36	87.25
On deposit accounts (with original maturity of 3 months or less)	950.00	
On Bank Overdraft	31.78	
Other bank balances		
Fixed Deposit held as margin money	3.71	0.55
Bank deposits with original maturity for more than 3 months but less than 12 months from reporting date.	744.00	-
Closing Cash and Cash Equivalents	1,930.32	95.66

As per our report of even date attached

For, J.H. Gandhi & Co.
 Chartered Accountants
 FRN - 0116513W

CA Jasmit H Gandhi
 Proprietor
 Membership Number: 044844
 Place: Mumbai
 Date: 28/05/2025
 UDIN: 25044844BMLMLF6814

For and on behalf of the Board of Directors

Royal Arc Electrodes Limited

Mr. Bipin Sanghvi
 Chairman & Managing Director
 DIN: 00462839

Mr. Swagat Sanghvi
 Whole-time Director
 DIN: 01695341

Mansi Bagadiya
 Company Secretary
 M. No.: A56143
 Place : Mumbai
 Date: 28/05/2025

Mr. Hardik Sanghvi
 Whole-time Director & Chief
 Financial Officer
 DIN: 00617415

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

Note 3
Reserves and Surplus

(Rs. in Lakhs)

Particulars	31-Mar-25	31-Mar-24
Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	3,300.85	2,886.33
Add: Profit/(Loss) for the year	900.56	1,212.85
Less: Bonus issued during the year	-	(748.02)
Less: Effect of first time adoption of AS-15	-	(58.58)
Add: Securities Premium	1,866.11	-
Add: Reclassification from Asset to Deposit	-	8.27
	6,067.54	414.53
Closing Balance	6,067.54	3,300.85
Total	6,067.54	3,300.85

Note 5
Deferred Tax Liabilities (Net)

(Rs. in Lakhs)

Particulars	31-Mar-25	31-Mar-24
Deferred tax asset		
- On account of Gratuity and Leave Encashment	23.80	18.02
- On account of Disallowance under Section-40a(ia)	-	-
- On account of Disallowance under Section-43B - Bonus Provision	2.97	1.92
Gross deferred tax asset	26.78	19.94
Deferred tax liability		
- On account of Difference between Book and Tax WDV	85.27	94.48
Gross deferred tax liability	85.27	94.48
Net deferred tax liability	58.49	74.54

Note 6
Other Long-term Liabilities

(Rs. in Lakhs)

Particulars	31-Mar-25	31-Mar-24
Trade deposits and security deposits	24.91	26.65
Total	24.91	26.65

Note 7
Provision

(Rs. in Lakhs)

Particulars	31-Mar-25	31-Mar-24
Long-term provisions		
Provision for employee benefits		
Gratuity	54.36	39.38
Leave Encashment	4.92	5.07
	59.27	44.45
Short-term provision		
Provision for employee benefits		
Gratuity	34.36	25.30
Leave Encashment	1.50	1.84
Provision for income tax (Net of advance tax and TDS)	18.30	19.44
Provision for Corporate Social Responsibility	21.59	21.84
Other provisions	23.03	56.22
	98.78	124.64
Total	158.05	169.08

Note 8
Short-term borrowings

(Rs. in Lakhs)

Particulars	31-Mar-25	31-Mar-24
Cash Credit/Overdraft		
From Banks		
Unsecured	0.38	1.97
From Others		
Unsecured	81.10	13.05
Current maturities of long-term borrowings	-	4.70
Total	81.48	19.71

Terms & Conditions of Loans:

1) Car Term loans from banks is secured by way of hypothecation of Cars which is repayable in 36 equal monthly installments and carries interest ranging from @ 7.95% payable at monthly rests. The said loan was repaid in October 2024

All credit facilities are secured by way of:

1. Exclusive charge on Industrial property located at Plot No. 6, Survey No.91/Paiki-4 of Village Zaroli, Bhilad Road, Valsad, Gujarat - 396105
2. Exclusive charge on the current and movable fixed assets of the company.
3. Personal Guarantee from Bipin Sanghvi, Hardik Sanghvi and Swagat Sanghvi for Rs 13,00,00,000/-

Note 9
Trade Payables

(Rs. in Lakhs)

Particulars	31-Mar-25	31-Mar-24
Due to Micro, Small and Medium	235.18	350.86
Due to Others	242.69	187.41
Total	477.87	538.27

Trade Payable Ageing Schedule as at 31 March 2025

Particulars	Outstanding for following period from due date of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed – MSME	235.18	-	-	-	235.18
Undisputed – Others	238.87	0.01	-	3.81	242.69
Disputed Dues-MSME	-	-	-	-	-
Disputed Dues-Others	-	-	-	-	-
	474.05	0.01	-	3.81	477.87

Trade Payable Ageing Schedule as at 31 March 2024

Particulars	Outstanding for following period from due date of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	350.86	-	-	-	350.86
Others	182.91	0.65	3.84	-	187.41
Disputed Dues-MSME	-	-	-	-	-
Disputed Dues-Others	-	-	-	-	-
	533.77	0.65	3.84	-	538.27

Note 10
Other current liabilities

(Rs. in Lakhs)

Particulars	31-Mar-25	31-Mar-24
Advance from customers	9.97	7.53
Statutory remittances	36.00	107.68
Other current liabilities	60.95	50.32
Total	106.92	165.52

Note 12
Non-current investments

(Rs. in Lakhs)

Particulars	31-Mar-25	31-Mar-24
Investment in Property	145.66	145.66
Investment in Equity Instruments		
Unquoted investments		
- 4000 Equity Shares of SVC Co. Op. Bank	1.00	1.00
Face Value of Rs.25 each, fully paid-up		
- 10323 Equity Shares of BMC Co. Op. Bank	1.03	1.03
Face Value of Rs.10 each, fully paid-up		
Quoted investments		
- 1839 Equity Shares of Larsen and Toubro Limited	-	65.55
Face Value of Rs.2 each, fully paid-up		
Market Value: Rs 69.22 lakhs		
- 250 Equity Shares of Elecon Engineering Co.Ltd	-	2.51
Face Value of Rs.2 each, fully paid-up		
Market Value: Rs 2.37 lakhs		
- 90 Equity Shares of Bajaj Auto Ltd	-	6.82
Face Value of Rs.10 each, fully paid-up		
Market Value: Rs 8.23 lakhs		
Total	147.69	222.57

Note 13
Other non-current assets
(Rs. in Lakhs)

Particulars	31-Mar-25	31-Mar-24
Security Deposits	75.02	69.88
Less: Provision for doubtful deposits	-	(1.75)
	75.02	68.13
Other Deposits	0.62	-
Prepaid Expenses	-	2.09
Bank Fixed Deposits	1.60	1.42
Others	-	-
Total	77.24	71.64

Note 14
Inventories
(Rs. in Lakhs)

Particulars	31-Mar-25	31-Mar-24
Raw materials	822.38	717.62
Work-in-Progress	74.01	34.11
Finished goods	531.79	152.49
Total	1,428.18	904.22

Note 15
Trade Receivables

(Rs. in Lakhs)

Particulars	31-Mar-25	31-Mar-24
Receivables outstanding for a period exceeding six months from the date they became due for payment		
Secured, considered good	-	-
Unsecured, considered good	-	331.01
Doubtful	132.66	8.73
Other receivables		
Secured, considered good	-	-
Unsecured, considered good	1,966.46	1,736.71
Doubtful	-	-
Less: Allowance for Bad and Doubtful Debts	(5.81)	(8.73)
Total	2,093.31	2,067.72

Trade Receivables Ageing schedule as at 31 March 2025

Particulars	Outstanding for following periods from the date of payment					Total
	Less than 6 months	6 months-1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed, considered good	1,966.46	61.44	54.71	0.27	16.25	2,099.12
Undisputed, considered doubtful	-	-	-	-	-	-
Disputed, considered good	-	-	-	-	-	-
Disputed, considered doubtful	-	-	-	-	-	-
Less: Allowance for Bad and Doubtful Debts	-	-	-	-	(5.81)	(5.81)
	1,966.46	61.44	54.71	0.27	10.44	2,093.31

Trade Receivables Ageing schedule as at 31 March 2024

Particulars	Outstanding for following periods from the date of payment					Total
	Less than 6 months	6 months-1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed, considered good	1,736.71	222.64	106.60	1.25	0.52	2,067.72
Undisputed, considered doubtful	-	-	0.07	-	8.66	8.73
Disputed, considered good	-	-	-	-	-	-
Disputed, considered doubtful	-	-	-	-	-	-
Less: Allowance for Bad and Doubtful Debts	-	-	(0.07)	-	(8.66)	(8.73)
	1,736.71	222.64	106.60	1.25	0.52	2,067.72

Note 16
Cash and bank balances

(Rs. in Lakhs)

Particulars	31-Mar-25	31-Mar-24
Cash and cash equivalents		
Cash on hand	11.48	7.86
Balance with banks		
On current accounts	189.36	87.25
On deposit accounts (with original maturity of 3 months or less)	950.00	-
Cash Credit	31.78	
Other bank balances		
Balances with banks to the \ extent held as margin money or security against the guarantees	3.71	0.55
Bank deposits with original maturity for more than 3 months but less than 12 months from reporting date.	744.00	-
Total	1,930.32	95.66

Note 17
Short-term loans and advances

(Rs. in Lakhs)

Particulars	31-Mar-25	31-Mar-24
Balance with revenue authorities	42.05	8.32
Advances to employees	1.46	5.46
Advances to suppliers	140.94	109.06
Total	184.45	122.83

Note 18
Other current assets

(Rs. in Lakhs)

Particulars	31-Mar-25	31-Mar-24
Export Incentive Receivable	5.33	9.76
Accrued interest	12.34	2.97
Prepaid Expenses	1.15	2.95
Other current assets	0.31	0.30
Total	19.13	15.98

Notes to the financial statements for the year ended 31st March 2025
Note 1 – Significant Accounting Polociew
1) Basis of Accounting

The financial statements have been prepared in conformity with the generally accepted accounting principles to comply in all material respects with the notified Accounting Standards (AS) under Companies Act, 2013 and the relevant provisions of the Companies Act 2013("the Act"). The financial statements have been prepared under the historical cost convention, on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

2) Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialized.

3) Revenue recognition

- i) Revenue from sales is recognized as and when the goods are dispatched to the customers and invoice is prepared.
- ii) Other income is recognized on accrual basis and when there is reasonable certainty of its collection."

4) Fixed Assets and Depreciation

- i) All tangible & intangible fixed assets are stated at historical cost of acquisition or construction (less input tax credit received / receivable) including all incidental cost of acquisition, less accumulated depreciation / amortization.
- ii) Depreciation is provided under straight-line method so as to write-off the cost of the assets over its useful life as prescribed in Schedule II of the Companies Act,2013
- iii) Projects under commissioning and other Capital Work-in-progress are carried at cost,comprising direct cost, related incidental expenses and attributable interest.
- iv) Pre-operative expenses including trial run expenses (net of revenue) are capitalized

5) Intangible Assets

Expenditure on regulatory approval for Licenses for Sale of Goods in foreign countries is recognized as an intangible asset and the same is amortized over a period of five years . Expenditure on software development is recognized as an intangible asset and same is amortized over a period of five years.

6) Investments

Long Term Investments are carried at cost. Provision is made for any diminution in value of investments, if the diminution is other than temporary.

7) Inventory Valuation

- i) Work in progress is valued at cost on FIFO basis.
- ii) Finished goods are valued at lower of cost or net realizable value

Cost of inventory comprises of cost of conversion and other cost incurred to bring the inventory to present location and condition.

8) Foreign currency transactions

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction. Monetary items in foreign currencies at the balance sheet date are translated at rates as at the balance sheet date. Any income or expense on account of exchange difference either on settlement or on translation is recognized in profit & loss account except in cases where they relate to acquisition of Fixed Assets, in which case they are adjusted to carrying cost of Fixed Assets.

9) Retirement benefits

The Company accounts for retirement benefits in compliance with the revised AS-15 as per following details :

a) Gratuity

Liability on account of gratuity, which is a defined plan, is provided for on the basis of actuarial valuation carried out by an independent actuary as at the balance sheet date. The contribution towards gratuity liability is funded to an approved gratuity fund.

b) Provident Fund

Contribution to provident Fund, which is a defined contribution plan, is made as per the provisions of Provident Fund Act, 1952 and charged to revenue account

c) Leave Encashment

Encashment of leave is accrued in year of retirement of an employee. Hence, not provided on the basis of actuarial Valuation.

10) Borrowing Cost

Borrowing costs that are directly attributable to the acquisition, construction of a qualifying asset i.e. asset acquired or constructed for expansion of capacity during the year are capitalized as pre-operative expenditure to be ultimately capitalized as part of the Cost of the Asset.

11) Impairment

Impairment is ascertained at each balance sheet date in respect of Cash Generating units. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net realizable value and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

12) Tax on Income

Current Tax is the amount of tax payable for the year as determined in accordance with the provision of the Income Tax Act, 1961. Deferred tax is recognised on timing differences between taxable profit and book profit using tax rates enacted or substantively enacted as at the balance sheet date. Deferred tax asset is recognized and carried forward only to the extent that there is reasonable certainty that the asset will be realized in future.

13) Provisions, Contingent liabilities and Contingent assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

14) Government grants and subsidies

Government grants / subsidies related to specific fixed assets are disclosed as a deduction from the value of the concerned assets. Grants / Subsidy related to revenue are credited to the Profit & Loss Account on receipt basis. Grant / Subsidy in nature of promoters contribution are treated as capital reserve .

Note 2
Share Capital

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of Shares	(Rs. in '00000)	No. of Shares	(Rs. in '00000)
Authorised (Note 1)				
Equity Shares of INR 10/- each, with voting rights	1,80,00,000.00	1,800.00	1,80,00,000.00	1,800.00
Issued, Subscribed and Fully Paid-Up				
Equity Shares of INR 10/- each, with voting rights	1,11,00,200.00	1,110.02	93,00,200.00	930.02
	1,11,00,200.00	1,110.02	93,00,200.00	930.02

a. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of Shares	(Rs. in '00000)	No. of Shares	(Rs. in '00000)
Equity Shares				
Opening Balance	93,00,200.00	930.02	18,20,000.00	182.00
Add: Bonus issue during the year (*)	-	-	74,80,200.00	748.02
Add: Fresh issue during the year (#)	18,00,000.00	180.00		
At the end of the year	1,11,00,200.00	1,110.02	93,00,200.00	930.02

1 During the financial year 2023-24, the Company increased its authorized share capital from Rs. 2,00,00,000/- consisting of 20,00,000 Equity Shares of Rs. 10 each to Rs. 18,00,00,000/- consisting of 1,80,00,000 Equity Shares of Rs. 10 each pursuant to the approval of the shareholders through an Extraordinary General Meeting held on January 20, 2024 in accordance with the provisions of Section 61 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder.

2 *74,80,200 Equity shares were allotted as fully paid Bonus Shares by way of Capitalization of Reserves

3 # During the quarter ended 31 March 2025, the company has completed its Initial Public Offer ("IPO") of issuing 30,00,000 equity shares of Face Value Rs. 10 each ("equity shares") at an issue price of Rs. 120/- per equity share (including a share premium of Rs. 110) aggregating to Rs. 36,00,00,000/-. This comprises of Fresh issue of 18,00,000 equity shares aggregating to Rs. 21,60,00,000/- and an offer for sale of 12,00,000 equity shares aggregating to Rs. 14,40,00,000/-.

b. Details of rights, preferences and restrictions attached to the equity shares issued
Equity Shares

The company has only one class of equity shares having face value of Rs. 10 each

Each equity shareholder is entitled to one vote per share with a right to receive per share dividend declared by the company. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the Annual General Meeting, except in case of interim dividend.

In the event of liquidation of company, the equity shareholders will be eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion their shareholding.

c. Details of shareholders holding more than 5% shares of the company

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of Shares	% of holding	No. of Shares	% of holding
Equity Shares				
Bipin Sanghvi	7,21,717	6.50%	8,92,717	9.60%
Hardik Sanghvi	23,49,750	21.17%	26,82,750	28.85%
Ami H. Sanghvi	5,18,750	4.67%	6,38,750	6.87%
Swagat Sanghvi	23,49,750	21.17%	26,82,750	28.85%
Pooja S. Sanghvi	5,18,750	4.67%	6,38,750	6.87%
Tarulata Bipin Sanghvi	16,40,461	14.78%	17,63,461	18.96%
Total	80,99,178	72.96%	92,99,178	99.99%

d. Details of Promoter's Shareholding

Promoter Name	As at 31 March 2025		As at 31 March 2024		% Change in the year
	No. of Shares	% of holding	No. of Shares	% of holding	
Bipin Sanghvi	7,21,717	6.50%	8,92,717	9.60%	-19.17%
Hardik Sanghvi	23,49,750	21.17%	26,82,750	28.85%	-12.41%
Swagat Sanghvi	23,49,750	21.17%	26,82,750	28.85%	-12.41%
Tarulata Bipin Sanghvi	16,40,461	14.78%	17,63,461	18.96%	-6.96%

Note 11
Property, Plant and Equipment and Intangible Assets

(Rs. in Lakhs)

Particulars	Gross Block				Accumulated Depreciation			Net Block		
	Balance As At April 1, 2024	Additions during the year	Deletions during the year	Balance As At March 31, 2025	Balance As At April 1, 2024	Depreciation for the year	Elimination on Disposal of Assets	Balance As At March 31, 2025	Balance As At March 31, 2025	Balance As At March 31, 2024
(A) Property, Plant and Equipment										
Computers & Data Processing Units	10.41	1.93	-	12.34	7.96	1.53	-	9.49	2.86	2.45
Office Equipment	46.65	6.79	-	53.44	35.43	5.83	-	41.26	12.17	11.22
Electrical Installations & Equipment	99.91	15.51	(7.11)	108.31	92.89	2.80	(7.11)	88.58	19.74	7.02
Furniture & Fittings	23.60	41.47	-	65.07	17.01	3.70	-	20.71	44.36	6.58
Motor Vehicles	111.88	-	-	111.88	19.00	26.79	-	45.79	66.09	92.88
Building	787.46	137.26	-	924.72	313.16	44.93	-	358.09	566.62	474.29
Plant & Machinery	1,978.41	436.23	-	2,414.64	1,018.09	208.10	-	1,226.19	1,188.45	960.32
Tools	49.66	2.35	-	52.01	44.38	0.91	-	45.29	6.73	5.29
Lab Equipment	57.33	-	-	57.33	55.98	0.24	-	56.22	1.11	1.35
Land	63.61	-	-	63.61	-	-	-	-	63.61	63.61
Total (A)	3,228.92	641.54	(7.11)	3,863.35	1,603.92	294.83	(7.11)	1,891.54	1,971.73	1,625.00
Previous Year	2,831.06	415.82	17.97	3,328.92	1,437.89	180.17	14.16	1,603.90	1,625.02	1,393.17
(B) Intangible Assets										
Computers & Data Processing Units (Intangibles)	2.08	0.20	-	2.28	1.63	0.27	-	1.90	0.38	0.45
Total (B)	2.08	0.20	-	2.28	1.63	0.27	-	1.90	0.38	0.45
Previous Year	2.08	-	-	2.08	0.95	0.68	-	1.63	0.45	1.13
(C) Capital Work in Progress										
	98.56	289.29	(155.00)	232.85	-	-	-	-	232.85	98.56
Total (C)	98.56	289.29	-155.00	232.85	-	-	-	-	232.85	98.56
Previous Year	2.65	95.91	-	98.56	-	-	-	-	98.56	2.65
Grand Total (A+B+C)	3,329.56	931.03	(162.11)	4,098.48	1,605.55	295.10	(7.11)	1,893.54	2,204.96	1,724.01
Previous Year Total	2,835.79	511.73	17.97	3,429.56	1,438.84	180.85	14.16	1,605.53	1,724.03	1,396.95

Note 19
Revenue from Operations
(Rs. in Lakhs)

Particulars	31-Mar-25	31-Mar-24
(a) Sale of Products	10,142.92	9,972.46
(b) Sale of Services	-	6.29
(c) Other operating revenues (Refer Below)	33.87	31.98
Other Operating Revenue Includes :		
1.Export Incentives		
(Current Year : Rs. 33.87 & Previous Year: Rs. 31.98)		
Total	10,176.79	10,010.73

Note 20
Other Income
(Rs. in Lakhs)

Particulars	31-Mar-25	31-Mar-24
Interest Income	16.68	15.61
Dividend Income	0.17	0.12
Deposit written off	-	47.25
Rent Income	1.10	0.18
Net gain on sale of fixed assets	2.40	0.39
Foreign Exchange Fluctuation Gain	21.10	20.12
Miscellaneous income	0.39	4.85
Short term Capital Gains on sale of shares	15.85	
Total	57.69	88.52

Note 21
Cost of materials consumed
(Rs. in Lakhs)

Particulars	31-Mar-25	31-Mar-24
Raw materials consumed		
Opening stock	717.62	210.96
Add: Purchase during the year	7,470.08	6,890.34
	8,187.69	7,101.30
Less: Closing stock	822.38	717.62
	7,365.32	6,383.68
Total	7,365.32	6,383.68

Note 22
Changes in inventories of finished goods, work-in-progress and stock in trade
(Rs. in Lakhs)

Particulars	31-Mar-25	31-Mar-24
Opening stock		
Work-in-progress	34.11	10.55
Finished goods	152.49	385.18
Total	186.60	395.73
Closing stock		
Work-in-progress	74.01	34.11
Finished goods	531.79	152.49
Total	605.80	186.60
Total	(419.20)	209.13

Note 23
Employee Benefit Expense
(Rs. in Lakhs)

Particulars	31-Mar-25	31-Mar-24
Salaries and wages	662.64	720.13
Contribution to provident and other funds	16.45	14.40
Gratuity	26.38	21.02
Leave Encashment	0.44	1.49
Staff welfare expenses	15.87	16.53
Total	721.79	773.57

Note 24
Finance Cost
(Rs. in Lakhs)

Particulars	31-Mar-25	31-Mar-24
Interest expense		
- On bank loan	15.75	2.64
- Other interest	0.13	2.37
Bank Charges	5.62	4.88
Total	21.50	9.89

Note 25
Depreciation and Amortization Expense
(Rs. in Lakhs)

Particulars	31-Mar-25	31-Mar-24
Depreciation	294.83	180.17
Amortisation	0.27	0.68
Total	295.10	180.85



Note 26
Other Expenses
(Rs. in Lakhs)

Particulars	31-Mar-25	31-Mar-24
Clearing & Forwarding Charges	108.80	39.82
Electricity Expenses - Factory	171.02	181.04
Electricity Expenses - Office	1.81	1.92
Labour Charges	12.98	7.75
Spares, Tools & Consumables	65.34	52.07
Power and Fuel	9.54	5.26
Packing and Forwarding	8.33	2.26
Transport Charges	185.65	152.40
Audit Fees	10.00	6.75
Bad debts	-	18.74
Brokerage & Commission Expense	7.97	34.65
Rent Expenses		
- Machinery	1.27	1.26
- Others	16.93	15.58
Repairs & Maintenance	42.09	44.19
Insurance	8.52	9.24
Telephone & Internet Expenses	2.20	2.41
Tours and Travelling Expenses	25.94	41.54
Conveyance and Petrol Expenses	1.46	9.39
Loading-Unloading Charges	2.60	10.35
Rates and taxes	11.50	4.80
Provision for doubtful debts	(2.75)	8.73
Printing & Stationery Expenses	2.42	2.37
Refreshment Expenses	2.83	0.46
Postage & Courier Expenses	2.42	3.35
Software Expenses	3.79	0.33
Legal and Professional Expenses	145.80	93.11
Vehicle Expenses	0.63	0.86
Advertisement & Marketing Expenses	7.01	9.02
Testing & Inspection Charges	19.26	25.21
Registration & Renewal charges	10.22	0.50
Late Delivery Charges	3.42	0.66
Donation Expenses	0.26	0.37
Membership & Subscription Charges	2.26	1.58
Security Expenses	12.15	11.33
Business Promotion Expenses	10.80	11.77
Sundry Office and Factory Expenses	9.85	20.22
CSR Expenditure	21.61	21.84
Placement & Recruitment Charges	0.21	0.63
Provision for doubtful deposits	-	1.75
Miscellaneous Expenses	13.78	13.69
Exhibition Expenses	36.54	41.84
Total	996.46	911.04

Note 27
Earnings per share

Particular	31-Mar-25	31-Mar-24
Basic Earning per share		
(a) Profit/(Loss) after tax attributable to equity share holders	9,00,56,412	12,12,83,426.57
Number of shares		
Number of shares at the beginning of the year	93,00,200	18,20,000
Number of shares at the end of the year	1,11,00,200	93,00,200
(b) Weighted average number of shares	94,92,529	93,00,200
Basic Earnings/(Loss) per share (a/b)	9.49	13.04
Diluted Earning per share		
(a) Profit/(Loss) after tax attributable to equity share holders	9,00,56,412	12,12,83,427
Add: Loss/expense on potential equity share	-	-
Less: Profit/income on potential equity share	-	-
Adjusted Profit/(Loss) (a)	9,00,56,412	12,12,83,427
Number of shares		
Number of shares at the beginning of the year	93,00,200	18,20,000
Number of shares at the end of the year	1,11,00,200	93,00,200
(b) Weighted average number of shares	94,92,529	93,00,200
Effect of dilutive equity shares	-	-
Adjusted number of shares (b)	94,92,529	93,00,200
Diluted Earnings/(Loss) per share (a/b)	9.49	13.04

Note 28
Related Party Disclosure
(i) List of Related Parties

Name	Relationship
Mansi Bagadiya	Key Managerial Personnel
Bipin Sanghvi	Director
Tarulata B Sanghvi	Relative of Directors
Hardik Sanghvi	Director
Ami H. Sanghvi	Relative of Directors
Swagat Sanghvi	Director
Pooja S. Sanghvi	Relative of Directors
Star Impex (Upto Dec- 23)	Associate Concern
Royal Arc Infrastructure Pvt Ltd	Associate Entity

(ii) Transactions with related parties
(Rs. in Lakhs)

Particulars	Relationship	31-Mar-25	31-Mar-24
Salary / Remuneration (incl. Bonus)	Directors and Relative of Directors	226.30	377.31
Salary / Remuneration (incl. Bonus)	Key Managerial Personnel	2.65	0.45
Loan given during the year	Director	4.00	-
Loan received back during the year	Director	-	-
Loan taken during the year	Director	-	43.99
Loan repaid during the year	Director	7.01	39.09
Rent Expense	Director	15.29	11.40
Investment in Property	Associate Concern	-	12.17
Purchase of Goods (Upto Dec-23)	Associate Concern	-	793.86
Sale of Goods (Upto Dec-23)	Associate Concern	-	36.34

(iii) Outstanding Balances arising from transactions with related parties
(Rs. in Lakhs)

Particulars	Relationship	31-Mar-25	31-Mar-24
Loans Outstanding	Director	13.07	13.04
Salary Outstanding	Directors and Relative of Directors	13.06	11.04
Rent Outstanding	Director	1.01	0.86
Due from Supplier	Associate Concern	-	4.59

Note 29
Employee Benefit Plans
(Rs. in Lakhs)
(i) Defined Contribution Plan

Particulars	31-Mar-25	31-Mar-24
Employers Contribution to Provident Fund	5.34	10.28
Employers Contribution to Employee State Insurance	1.92	3.24

Note 30
Contingent liabilities and commitments
(Rs. in Lakhs)
Contingent liabilities

Particulars	31-Mar-25	31-Mar-24
Contingent liabilities on account of pending litigations	-	130.25

*The Company has received a notice under clause (b) of Section 148A of the Income Tax Act, 1961 for AY 2020-21 with the liability amount not being ascertainable.

*The Company has received a Show Cause Notice under Section 73(5) of the Central Goods and Services Tax Act, 2017 for FY 2019-20 involving Rs. 33.46 lakhs. The proceedings are currently on-going and the liability amount has not been ascertained till date.

Note 31
Auditor's Remuneration

(Rs. in Lakhs)

Particulars	31-Mar-25	31-Mar-24
Audit matters	10.00	5.50
Taxation matters	-	1.25
	10.00	6.75

Note 32
Foreign Exchange Disclosures

(Rs. in Lakhs)

Earnings in Foreign Currency

Particulars	31-Mar-25	31-Mar-24
Export of Goods	1,700.83	1,436.01
Export of Services	-	5.29

Expenditure in Foreign Currency

Particulars	31-Mar-25	31-Mar-24
Exhibition Expenses	-	5.79
Bank Charges	3.34	2.07
Registration Fees	-	0.07
Miscellaneous Expenses	-	-
Repairs & Maintenance	-	-
Commission Expenses	-	2.19
Travelling Expenses	1.61	6.04

Value of Imports calculated on C.I.F. basis

Particulars	31-Mar-25	31-Mar-24
Raw Material	127.35	46.70
Capital Goods	281.15	213.23

Note 33
Capital-Work-in Progress (CWIP)
(Rs. in Lakhs)
31-Mar-25

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Building	230.67	-	-	-	230.67

Note 34
Ratio Analysis

Particulars	Numerator/Denominator	31-Mar-25	31-Mar-24	Change in %
(a) Current Ratio	Current Asset / Current Liabilities	7.39	3.78	95.53%
(b) Debt-Equity Ratio	Total Debts / Equity	1.14	0.47	143.63%
(c) Debt-Service Coverage Ratio	Earning available for Debt Service / Total Debt	312.47	219.27	42.50%
(d) Return on Equity Ratio	Profit after Tax / Average Shareholder's Equity	15.79%	33.00%	-52.17%
(e) Inventory Turnover Ratio	COGS / Average Inventory	5.96	8.73	-31.75%
(f) Trade Receivable Turnover Ratio	Net Credit Sales / Average Account Receivable	4.89	5.39	-9.33%
(g) Trade Payable Turnover Ratio	Net Credit Purchases / Average Trade Payable	14.70	10.46	40.53%
(h) Net Capital Turnover Ratio	Total Turnover / Average Working Capital	2.81	4.92	-42.95%
(i) Net Profit Ratio	Net Profit / Total Turnover	8.85%	12.12%	-26.96%
(j) Return on Capital Employed	Net Profit / Capital Employed	21.07%	37.83%	-44.30%
(k) Return on Investment	Return on Investment / Total Investment	11.59%	0.13%	8499.10%
(l) Interest Coverage Ratio	Interest Expenses / EBITDA	1.05%	0.29%	263.44%

Reasons for variance:

- Current Ratio has increased during the year due to increase in the trade receivables and inventories. Further, the ratio has increased due to a decrease in the trade payables
- Debt-Equity Ratio has increased due to increase in short term borrowings during the period
- Debt-Service Coverage Ratio has increased due to changes in net profits and decrease in interest obligations on account short term borrowings during the year

- d) Decrease in Return on Equity ratio is on account of decrease in Profit after Tax whilst increase in average shareholder's equity.
- e) Inventory turnover ratio has increased on account of increase in average inventory.
- f) Trade payable turnover ratio has increased due to increase in purchases during the year whilst decrease in the average trade payables.
- g) Net Capital Turnover Ratio has reduced due to increase in average working capital during the year.
- h) Net profit ratio has decreased on account of decrease in PAT despite marginal increase in the turnover.
- i) Return on capital employed has decreased during the year on account of increase in the capital employed as compared to previous year and decrease in EBIT during the year
- j) Return on investment has increased during the year on account of significant short term capital gain made as compared to previous year and marginal increase in the rental income earned on the investment in property and during the year





ISO : 9001:2015
Certified Company

ROYAL ARC ELECTRODES LTD[®]

Mfgs. of : WELDING CONSUMABLES

72B, Bombay Talkies Compound,
Malad (West), Mumbai – 400 064, Maharashtra, India.

Email : cs@royalarc.in. Mob : 7888000553

Website : www.royalarc.in

CIN : L31100MH1996PLC096296

ATTENDANCE SLIP

(To be presented at the entrance)

Regd. Folio No./Client ID No. _____

No. of Shares held _____

DP ID No. _____

I hereby record my presence at the **29TH ANNUAL GENERAL MEETING** of the company held on **29th September, 2025** at **10.30 a.m.** at registered office of the Company at 72B, Bombay Talkies Compound, Malad (West), Mumbai – 400064.

Member's/ Proxy's name in BLOCK Letters _____

Signature of Member/Proxy _____

NOTE: Please fill up this attendance slip and hand it over at the entrance of the venue for the meeting. Members are requested to bring their copies of the Annual Report to the meeting.



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Website : www.royalarc.in

CIN : L31100MH1996PLC096296

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014

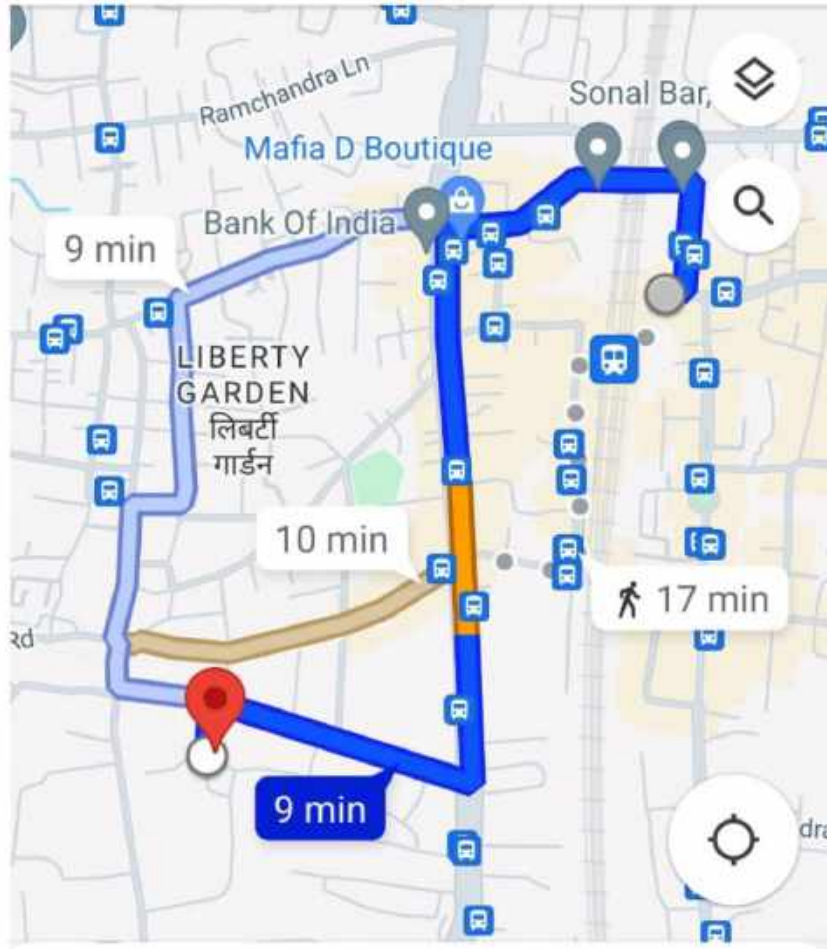
Form No. MGT. 11]

Name of the member(s):	
Registered address:	
E-mail Id:	
Folio No/ Client Id:	
DP ID:	

I/We, being the member (s) of _____ shares of the above named company, hereby appoint

1. _____ of _____ having e-mail id _____,
or failing him,
2. _____ of _____ having e-mail id _____,
or failing him,
3. _____ of _____ having e-mail id _____.

Route map to reach the AGM Venue



as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **29th Annual General Meeting** of the Company, to be held on **29th September, 2025** at **10.30 a.m.** at registered office of the Company at 72B, Bombay Talkies Compound, Malad (West), Mumbai – 400064 and at any adjournment thereof in respect of such resolutions as are indicated below:

* I wish my above Proxy to vote in the manner as indicated below:

SN	Resolutions	For	Against
1	To adopt Audited Financial Accounts for F.Y. 2025-26		
2	To appoint director in place of Mr. Hardik Sanghvi who retires by rotation		
3	To appointment of M/s. J. H. Gandhi & Co. as the Statutory Auditors of the Company		
4	To Appointment of Secretarial Auditor		
5	Ratification of remuneration to the Cost Auditors for the FY 2025-26		

Signed this _____ day of _____ 2025

Signature of Shareholder(s): _____

Signature of Proxy holder(s): _____
(first proxy holder) (second proxy holder) (third proxy holder)

Affix
Revenue
Stamp

Notes

1. This form of proxy in order to be effective should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A proxy need not be a Member of the Company.
- *3. This is only optional. Please put 'x' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.