



# ARROWHEAD SEPERATION ENGINEERING LIMITED

CIN: U74210MH1991PLC062643  
Email ID: info@arrowhead-dryers.co.in Ph: +91 8422 82 9060  
Website: www.arrowhead-dryers.com GST Number: 27AAACA6711D1Z6

September 05, 2024

To  
**Listing Department,**  
BSE Limited,  
PJ Towers, Dalai Street,  
Fort, Mumbai - 400 001

**Scrip Code: 544025**

Dear Sir/Madam,

**Sub: Notice of 33<sup>rd</sup> Annual General Meeting (AGM) to be held on Saturday, September 28, 2024.**

Please find attached herewith the Notice of 33<sup>rd</sup> Annual General Meeting of the Members of Arrowhead Seperation Engineering Limited (Formerly known as Arrowhead Seperation Engineering Pvt. Ltd.) to be held on Saturday, September 28, 2024 at 12.30 P.M. at Registered Office of the Company at Survey No 39, Village Mundhegaon, Tal Igatpuri, Nashik – 422403, Maharashtra, to transact the business specified.

You are requested to kindly update above information on your record.

Thanking You,

**For Arrowhead Seperation Engineering Limited**  
*(Formerly known as Arrowhead Seperation Engineering Pvt. Ltd.)*


**Ms. Radhika Sootra**  
(Company Secretary & Compliance Officer)



**ARROWHEAD**

# **ARROWHEAD**

**SEPARATION ENGINEERING LIMITED**

**33<sup>rd</sup>**

**ANNUAL REPORT**

**2023-24**



## CORPORATE INFORMATION

**CIN: U74210MH1991PLC062643**

### **BOARD OF DIRECTORS:**

#### **EXECUTIVE DIRECTORS:**

- ☞ Mr. Ajit Mundle
- ☞ Mrs. Jyoti Mundle

#### **INDEPENDENT DIRECTORS:**

- ☞ Ms. Priyanka Moondra Rathi (w.e.f. 29.05.2023)
- ☞ Mrs. Mayuri Rupareliya
- ☞ Mr. Nikhil Malpani (w.e.f. 29.05.2023)

#### **KEY MANAGERIAL PERSON:**

- ☞ Mr. Ajit Mundle (Chairman & Managing Director) (w.e.f. 29.05.2023)
- ☞ Mrs. Jyoti Mundle (Whole Time Director) (w.e.f. 29.05.2023)
- ☞ Mr. Sitaram Sakharam Kavar (CFO) (w.e.f. 05.05.2023)
- ☞ Ms. Radhika Bhootra ( Company Secretary & Compliance Officer) (w.e.f. 05.06.2023)

#### **STATUTORY AUDITOR:**

**M/s B.B. Gusani & Associates**  
Chartered Accountants  
215-B, Manek Center, P.N. Marg, Jamnagar, Gujarat-361008

Tel No.: +91-288-266 1941/266 1942  
Email: [bhargavgusani77@gmail.com](mailto:bhargavgusani77@gmail.com)

#### **REGISTERED OFFICE:**

Survey No 39, Village Mundhegaon,  
Tal Igatpuri, Nashik – 422403,  
Maharashtra.

### **COMMITTEES:**

#### **AUDIT COMMITTEE:**

- ☞ Mr. Nikhil Malpani (Chairman)
- ☞ Mr. Mayuri Rupareliya (Member)
- ☞ Ms. Ajit Mundle (Member)

#### **STAKEHOLDERS RELATIONSHIP COMMITTEE:**

- ☞ Mrs. Mayuri Rupareliya (Chairperson)
- ☞ Mrs. Jyoti Mundle (Member)
- ☞ Mr. Ajit Mundle (Member)

#### **NOMINATION REMUNERATION COMMITTEE:**

- ☞ Mrs. Mayuri Rupareliya (Chairman)
- ☞ Mrs. Priyanka Moondra Rathi (Member)
- ☞ Mr. Nikhil Malpani (Member)

#### **REGISTRAR AND SHARE TRANSFER AGENT:**

**Cameo Corporate Services Limited**  
Subhramanian Building No. 1, Club House Road,  
Chennai, Tamil Nadu-600002

Tel- 44 - 40020700  
E-Mail: [investors@cameoindia.com](mailto:investors@cameoindia.com)  
Website: [www.cameoindia.com](http://www.cameoindia.com)



ARROWHEAD

**33<sup>rd</sup>ANNUAL REPORT 2023-24**

---

***In case of any Queries relating Annual Report, Contact:***

**Ms. Ajit Mundle (Chairman & Managing Director)**

Survey No 39, Village Mundhegaon,

Tal Igatpuri, Nashik – 422403,

Maharashtra.

**Tel: 8422829060**



**NOTICE**

**NOTICE** is hereby given that the **Thirty Third Annual General Meeting** of the Members of **Arrowhead Separation Engineering Limited (Formerly known as Arrowhead Separation Engineering Pvt Ltd.)** will be held on **Saturday, September 28, 2024** at **12:30 P.M.** at Registered Office of the Company at Survey No 39, Village Mundhegaon, Tal Igatpuri, Nashik, Maharashtra, 422403, to transact the following business:

**ORDINARY BUSINESS:**

- 1) To receive, consider and adopt the Audited Financial Statements of the company for the financial year ended March 31, 2024 and the Reports of the Board of Directors and Auditors thereon.
- 2) To appoint a Director in place of Mr. Ajit Mundle, (DIN: 01745577), who retires by rotation and being eligible, offers himself for re-appointment.

**Registered Office:**

Survey No 39, Village Mundhegaon, Tal Igatpuri,  
Nashik - 422403, Maharashtra.

**Tel :** 8422829060

**CIN:** U74210MH1991PLC062643

**Website:** <https://www.arrowhead-dryers.com/>

**Email:** [compliance@arrowhead-dryers.co.in](mailto:compliance@arrowhead-dryers.co.in)

By Order Of The Board Of Directors  
**For Arrowhead Separation Engineering Limited**  
(Formerly known as Arrowhead Separation Engineering Pvt Ltd.)

Sd/-

**Mr. Ajit Mundle**  
(Chairman & Managing Director)  
DIN: 01745577  
**Nashik, Tuesday, September 03, 2024**



**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE COMPANY'S CORPORATE OFFICE/REGISTERED OFFICE, DULY COMPLETED AND SIGNED, NOT LESS THAN FORTYEIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

**PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES, ETC., MUST BE SUPPORTED BY APPROPRIATE RESOLUTIONS / AUTHORITY, AS APPLICABLE. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY. IN CASE A PROXY IS PROPOSED TO BE APPOINTED BY A MEMBER HOLDING MORE THAN 10% OF TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS, THEN SUCH PROXY SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER AND THE BLANK PROXY FORM IS ENCLOSED.**

2. Corporate members intending to send their authorized representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorized under the said Board Resolution to attend and vote on their behalf at the Meeting.
3. In compliance with the Ministry of Corporate Affairs ("MCA") Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose e-mail address is registered with the Company/ Depository Participants (DPs). Members whose e-mail address is not registered with the Company/ DPs, physical copies of Annual Report 2023-24 are being sent by the modes permitted under the Act. Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website at <https://www.arrowhead-dryers.com/> and website of the stock exchange i.e. Bombay Stock Exchange Limited at <https://www.bseindia.com> and AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
4. For receiving all communication (including Annual Report) from the Company electronically:
  - a) Members holding the shares in physical mode and who have not registered / updated their e-mail address with the Company are requested to register/ update the same by writing to the Registrar and Transfer Agent of the Company viz. **Cameo Corporate Services Limited** Office No Subhramanian Building No. 1, Club House Road, Chennai, Tamil Nadu-600002, Tel: 44 - 40020700, E-mail: [investor@cameodina.com](mailto:investor@cameodina.com)
  - b) Members holding the shares in dematerialized mode are requested to register / update their e-mail address with the relevant Depository Participant.
5. Members desiring any further information on the business to be transacted at the meeting should write to the company at least 15 days before the date of the meeting so as to enable the management to keep the information, as far as possible, ready at the meeting.
6. Details of Directors retiring by rotation/seeking appointment/ re-appointment at the ensuing Meeting are provided in the explanatory statement annexed to the Notice pursuant to the provisions of (i) Regulation 36(3) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India, forms integral part of the notice as '**Annexure – A**'.



7. Members/Proxies/Authorised Representatives are requested to bring to the Meeting necessary details of their shareholding, attendance slip(s), enclosed herewith duly completed and signed and copy (ies) of their Annual Report.
8. In case of joint holders attending the Meeting, the first holder as per the Register of Members of the Company will be entitled to vote
9. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act and other documents as referred in the Notice are available for inspection by the Members at the Registered Office of the Company during business hours on all working days except Saturdays, Sundays and National Holidays up to the date of the AGM.
10. The Register of Members and Share Transfer Books of the Company will remain closed from **Saturday, September 21, 2024 to Friday, September 27, 2024** (both days inclusive).
11. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registering of nomination and power of attorney, Bank Mandate details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DP in case the shares are held in electronic form, and to the RTA in case the shares are held in physical form.

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

12. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form, are therefore, and requested to submit their PAN to their Depository Participants with whom they maintain their Demat Accounts. Members holding shares in physical form and submit their PAN to the Company/ RTA viz. Cameo Corporate Services Limited.
13. All documents referred to in the Notice will be available for inspection at the Company's registered office during normal business hours on working days up to the date of the AGM.
14. Mr. Jigar kumar Gandhi, Practicing Company Secretary (Membership No. F7569) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
15. The facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and Members attending the meeting who have not already cast their vote by remote evoting or by ballot form shall be able to exercise their right at the meeting.
16. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.
17. **Voting through electronic means:**
  1. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (Listing Regulations), the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at Annual General Meeting by electronic means



and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Annual General Meeting (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).

2. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
3. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
4. The remote e-voting period commences on **Tuesday, September 24, 2024 (9:00 A.M.)** and ends on **Friday, September 27, 2024 (5:00 P.M.)**. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **Saturday, September 21, 2024** may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
5. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date **Saturday, September 21, 2024**.
6. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice electronically and holding shares as of the cut-off date i.e. **Saturday, September 21, 2024** may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.

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

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

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





**A. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

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

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





Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"><li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li><li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li><li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number 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 <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li><li>Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li></ol> <div data-bbox="719 1524 1230 1820" style="text-align: center;"><p>NSDL Mobile App is available on</p><p> App Store     Google Play</p></div>



<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"><li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li><li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li><li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li><li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li></ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p>

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

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



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

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

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



5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "[Forgot User Details/Password?](#)" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) [Physical User Reset Password?](#)" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.



6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [jigar.gandhi@jngandco.in](mailto:jigar.gandhi@jngandco.in) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to at [evoting@nsdl.com](mailto:evoting@nsdl.com).

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [compliance@arrowhead-dryers.co.in](mailto:compliance@arrowhead-dryers.co.in).
  2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [compliance@arrowhead-dryers.co.in](mailto:compliance@arrowhead-dryers.co.in). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
  3. Alternatively shareholder/members may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) for procuring user id and password for e-voting by providing above mentioned documents.
  4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
18. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 022 - 2499 7000 or send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com).



19. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
20. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
21. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
22. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company <https://www.arrowhead-dryers.com/> and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.
23. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25th January, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website and on the website of the Company's RTA. It may be noted that any service request can be processed only after the folio is KYC compliant. SEBI vide its notification dated 24th January, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.
24. **All queries relating to Share Transfer and allied subjects should be addressed to:**

**Cameo Corporate Services Limited  
Subhramanian Building No. 1, Club House Road,  
Chennai, Tamil Nadu-600002**

**Registered Office:**

Survey No 39, Village Mundhegaon, Tal Igatpuri,  
Nashik - 422403, Maharashtra.

**Tel :** 8422829060

**CIN:** U74210MH1991PLC062643

**Website:** <https://www.arrowhead-dryers.com/>

**Email:** [compliance@arrowhead-dryers.co.in](mailto:compliance@arrowhead-dryers.co.in)

By Order Of The Board Of Directors

**For Arrowhead Separation Engineering Limited**  
*(Formerly known as Arrowhead Separation Engineering Pvt. Ltd.)*

Sd/-

**Mr. Ajit Mundle**  
(Chairman & Managing Director)

DIN: 01745577

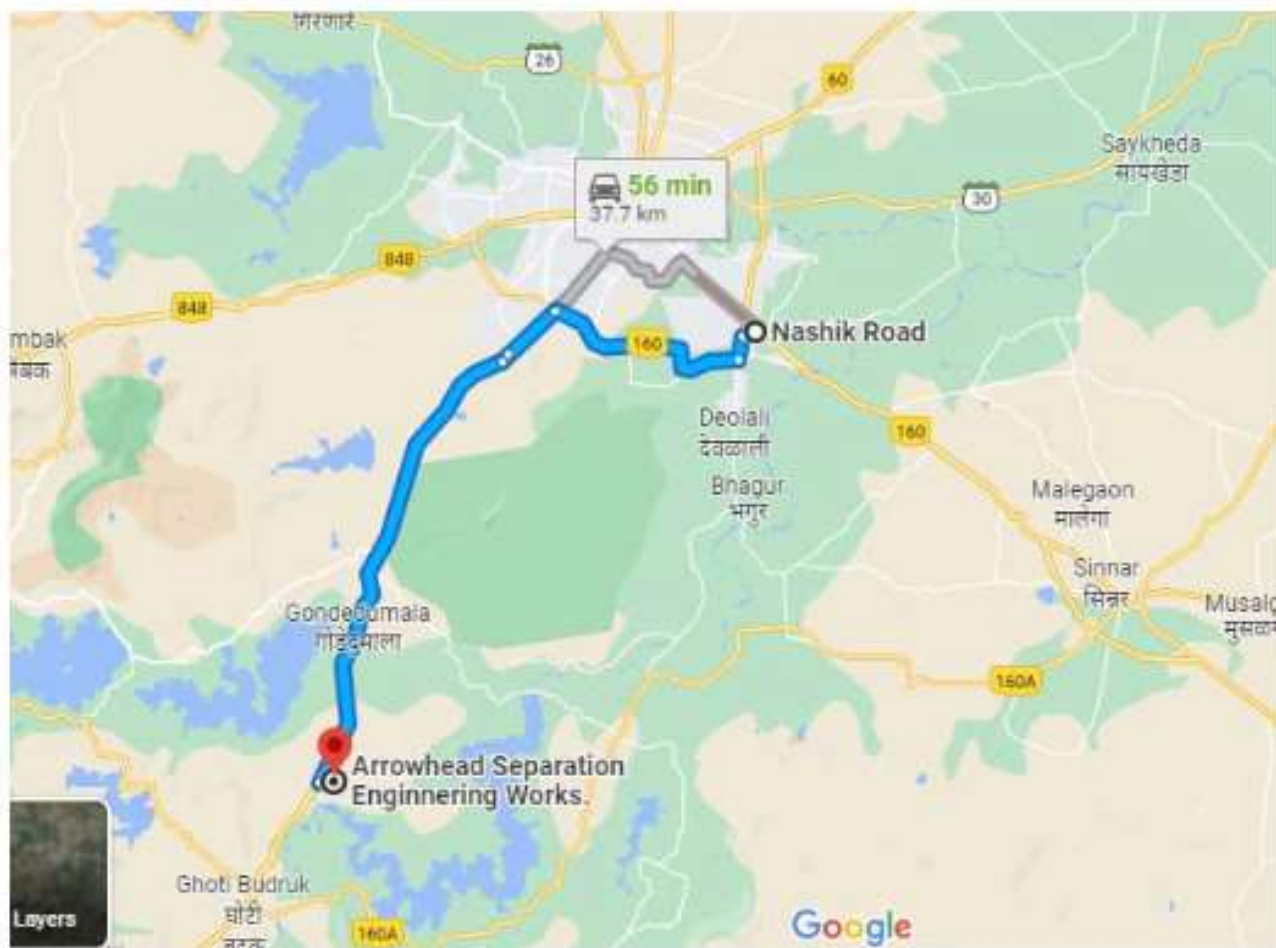
**Nashik, Tuesday, September 03, 2024**





### ROUTE MAP TO THE 33<sup>rd</sup> AGM VENUE

**Venue Address:** Survey No 39, Village Mundhegaon, Tal Igatpuri, Nashik - 422403, Maharashtra.





**Annexure – A**

The relevant details of directors who is proposed to be re-appointed directors of the Company, as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2 issued by the Company Secretaries of India are as under;

<b>Particulars</b>	<b>Mr. Ajit Mundle</b>
<b>Current Position</b>	Chairman & Managing Director (Liable to retire by rotation)
<b>Age:</b>	74 Years
<b>Qualification:</b>	Bachelor's degree in Bachelors of Science from Bombay University.
<b>Experience:</b>	Over three decades of experience in Engineering Industry.
<b>Expertise in specific functional areas</b>	He has over three decades of experience in Engineering Industry. He is currently responsible for the overall working of the Company and is instrumental in making strategic decisions. His strong leadership skill, comprehensive understanding of financial management principles, entrepreneurship with commercial acumen and excellent management skill allow the business to grow by way of developing the new clients whilst maintaining its existing customer base.
<b>Brief Resume of the Director</b>	Ajit Mundle, aged 74 years, is the one of the founding promoter of the Company. He has been a part of the Board since inception and is currently designated as Chairman & Managing Director of the company. He has completed his Bachelor's degree in Bachelors of Science from Bombay University in the year 1969. He has over three decades of experience in Engineering Industry. He is currently responsible for the overall working of the Company and is instrumental in making strategic decisions. His strong leadership skill, comprehensive understanding of financial management principles, entrepreneurship with commercial acumen and excellent management skill allow the business to grow by way of developing the new clients whilst maintaining its existing customer base.
<b>Remuneration last drawn</b>	Rs.10,78,000 (Rupees Ten Lakh Seventy Eight Thousand)
<b>Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid</b>	As per the resolution at item no. 2 of this Notice
<b>Date of first Appointment:</b>	July 25, 1991
<b>Number of Board Meetings attended during the year:</b>	Attended all the Ten meetings held in F.Y. 2023-24
<b>Shareholding in the Company:</b>	1,88,175 Equity Shares (One Lakh Eighty Eight Thousand One Hundred and Seventy Five.)
<b>Relationship with Other Directors:</b>	Mrs. Jyoti Mundle (Spouse)
<b>Other Directorships:</b>	No directorship in any other Company.
<b>Memberships / Chairmanship of Committees:</b>	He is the member in Audit Committee and Stakeholders Relationship Committee of Arrowhead Separation Engineering Limited.





## **BOARD'S REPORT**

To  
The Members,

Your Directors take pleasure in presenting their Thirty Third Annual Report on the Business and Operations of the Company and the Accounts for the Financial Year ended 31<sup>st</sup> March, 2024 (period under review).

### **1. FINANCIAL PERFORMANCE OF THE COMPANY:**

The summary of the financial performance for the financial year ended March 31, 2024 and the previous financial year ended March 31, 2023 is given below:

(₹ in lacs)

<b>Particulars</b>	<b>31-Mar-24</b>	<b>31-Mar-23</b>
<b>Total Income</b>	<b>2489.03</b>	<b>2171.57</b>
Less: Expenditure	2211.84	2050.82
<b>Profit before Depreciation and tax</b>	<b>277.19</b>	<b>120.75</b>
Less: Depreciation	2.23	3.75
<b>Profit before Tax</b>	<b>274.96</b>	<b>117.00</b>
Provision for Taxation	71.36	14.62
<b>Profit after Tax</b>	<b>203.59</b>	<b>102.37</b>
<b>Other Comprehensive Income</b>	-	-
<b>Total Comprehensive Income</b>	-	-
<b>Earnings Per Share (FV of Rs.10/- per share)</b>		
<b>(1) Basic</b>	<b>13.45</b>	<b>7.87</b>
<b>(2) Diluted</b>	<b>13.45</b>	<b>7.87</b>

Being a Market Making Company, most of the Company's investments are in the securities of listed companies. Accordingly most of its revenue is in nature of trade income on investments in listed companies. On account of resilient growth in the capital markets and increased investor interest in SME listed stocks; Company witnessed a Top line growth.

### **2. REVIEW OF OPERATIONS**

The Total Income of the Company stood at ₹ 2489.03 lacs for the year ended March 31, 2024 as against ₹ 2171.57 lacs in the previous year. The Company made a net profit of ₹ 203.59 lacs for the year ended March 31, 2024 as compared to the net profit of ₹ 102.37 lacs in the previous year.

### **3. CASH FLOW STATEMENTS**

As required under regulation 34 of the SEBI (LODR) Regulations, 2015, a Cash Flow Statement forms part of Annual Report.

### **4. TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT, 2013**

The Board has decided not to transfer any amount to the Reserves for the year under review.

### **5. DIVIDEND:**



The dividend policy for the year under review has been formulated taking into consideration of growth of the company and to conserve resources, the Directors do not recommend any dividend for year ended March 31, 2024.

**6. TRANSFER OF UNPAID AND UNCLAIMED DIVIDENDS TO INVESTOR EDUCATION AND PROTECTION FUND**

The Ministry of Corporate Affairs under Sections 124 and 125 of the Companies Act, 2013 requires dividends that are not encashed/ claimed by the shareholders for a period of seven consecutive years, to be transferred to the Investor Education and Protection Fund (IEPF). In FY 2023-24, there was no amount due for transfer to IEPF.

**7. SHARE CAPITAL**

The authorized share capital of the company is Rs. 2,00,00,000/- (Rupees Two Crores Only) divided into 20,00,000 (Rupees Twenty Lakh Only) equity shares of Rs. 10/- (Rupees Ten Only)

The Paid up capital of the Company was increased from Rs. 1,31,33,250/- (Rupees One Crore Thirty One Lakh Thirty Three Thousand Two Hundred and Fifty) divided into 13,13,325 (Thirteen Lakhs Thirteen Thousand Three Hundred and Twenty Five) Equity shares of Rs. 10/- (Rupees Ten Only) each to Rs. 1,87,13,250 (Rupees One Crore Eighty Seven Lakh Thirteen Thousand Two Hundred and Fifty) divided into 18,71,325 (Eighteen Lakhs Seventy One Thousand Three Hundred and Twenty Five) Equity shares of Rs. 10/- (Rupees Ten Only) each - pursuant to Shareholders Resolution passed at the Extra Ordinary General Meeting held on June 02, 2023.

Company has appointed M/s Cameo Corporate Services Limited as the Registrar and Transfer Agent of the Company.

**8. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:**

Management's Discussion and Analysis Report for the year under review, in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") and SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (the "Amended Listing Regulations"), is presented in a separate section forming part of the Annual Report as **Annexure III**".

**9. CHANGE IN NATURE OF BUSINESS, IF ANY**

There has been no change in nature of business of the Company during the FY under review.

**10. DISCLOSURES BY DIRECTORS**

The Board of Directors has submitted notice of interest in Form MBP 1 under Section 184(1) as well as intimation by directors in Form DIR 8 under Section 164(2) and declarations as to compliance with the Code of Conduct of the Company.

Certificate of Non-Disqualification of Directors received from JNG & Co., Practicing Company Secretary is annexed to the Board's Report as "**Annexure IV**".

**11. SUBSIDIARY/ JOINT VENTURE/ ASSOCIATE COMPANY**

The Company does not have any Subsidiary, Joint venture or an Associate Company.

**12. MATERIAL CHANGES AND COMMITMENTS**



The Company has obtained the status of being listed on BSE SME Platform with effect from November 28, 2023. The Company managed to raise ₹ 1,300.14 Lakhs by initial public offer of 5,58,000 equity shares of ₹ 10 each through its prospectus dated November 08, 2023. Further stakeholder may find the Prospectus through link: <https://www.arrowhead-dryers.com/ipo.php>

**Listing on Stock Exchanges:**

The Company has obtained the status of being listed on BSE SME Platform with effect from November 28, 2023. The Company managed to raise ₹ 1,300.14 Lakhs by initial public offer of 5,58,000 equity shares of ₹ 10/- each through its Prospectus dated November 08, 2023. Further 5,58,000 Equity Shares of face value of Rs. 10/- each were available under the Offer, at Issue Price of Rs. 233/-. The Offer opened for subscription on November 16, 2023 and closed on November 20, 2023. The Equity shares of Arrowhead have been listed on BSE SME Platform on November 28, 2023.

The above were the material changes and commitments affecting the financial position of the company which have occurred during the period under review.

**13. EXTRACT OF ANNUAL RETURN:**

The Annual Return of the Company as on 31<sup>st</sup> March, 2024 is available on the website of the Company at <https://www.arrowhead-dryers.com>.

**14. CHANGE IN SHARE CAPITAL:**

During the period under review and as on the date of this report following changes took place in the Paid up capital of the Company as it was increased from Rs. 1,31,33,250/- (Rupees One Crore Thirty One Lakh Thirty Three Thousand Two Hundred and Fifty) divided into 13,13,325 (Thirteen Lakhs Thirteen Thousand Three Hundred and Twenty Five) Equity shares of Rs. 10/- (Rupees Ten Only) each to Rs. 1,87,13,250 (Rupees One Crore Eighty Seven Lakh Thirteen Thousand Two Hundred and Fifty) divided into 18,71,325 (Eighteen Lakhs Seventy One Thousand Three Hundred and Twenty Five) Equity shares of Rs. 10/- (Rupees Ten Only) each pursuant to Shareholders Resolution passed at the Extra Ordinary General Meeting held on June 02, 2023.

Further, as mentioned above the share capital of the company was increased by allotting 5,58,000 Equity Shares of face value of Rs. 10/- each fully paid up for cash at a price of Rs. 233/- per equity share capital (including Rs. 223/- premium per equity share) aggregating to Rs. 13,00,14,000/- (Rupees Thirteen Crore Fourteen Thousand Only) under Initial Public Offering (IPO) as on November 22, 2023. The aforementioned equity shares of the Company got listed on BSE SME Platform on November 28, 2023.

**15. FAMILIARISATION PROGRAMME FOR DIRECTORS**

As a practice, all Directors (including Independent Directors) inducted to the Board go through a structured orientation programme. Presentations are made by Senior Management giving an overview of the operations, to familiarise the new Directors with the Company's business operations. The Directors are given an orientation on the products of the business, group structure and subsidiaries, Board constitution and procedures, matters reserved for the Board, and the major risks and risk management strategy of the Company.

During the year under review, Two (2) new Independent Directors viz. Ms. Priyanka Moondra Rathi and Mr. Nikhil Malpani were inducted to the Board.



**16. DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

**i. Change in Directors and Key Managerial personnel**

During the period under review and as on the date of this report following are the changes that took place in the Board Structure:

<b>Sr. No.</b>	<b>Date</b>	<b>Name of Director</b>	<b>Changes</b>
1.	May 29, 2023	Mr. Ajit Mundle	Redesignated as Chairman & Managing Director
2.	May 29, 2023	Mrs. Jyoti Mundle	Redesignated as Whole Time Director
3.	May 29, 2023	Mr. Nikhil Malpani	Appointed as Non-Executive Independent Director
4.	May 29, 2023	Ms. Priyanka Moondra Rathi	Appointed as Non-Executive Independent Director
5.	June 05, 2023	Ms. Radhika Bhootra	Appointed as Company Secretary and Compliance Officer
6.	May 05, 2023	Mr. Sitaram Sakharam Kavar	Appointed as Chief Financial Officer

**ii. Retirement by Rotation of the Directors**

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Ajit Mundle, Chairman & Managing Director of the Company, retires by rotation and offers himself for re-appointment.

The brief resume of Mr. Ajit Mundle, the nature of his expertise in specific functional areas, names of the companies in which he has held directorships, his shareholding etc. are furnished in the **Annexure - A** to the notice of the ensuing AGM.

**iii. Independent Directors**

Our Company has received annual declarations from all the Independent Directors of the Company confirming that they meet with the criteria of Independence provided in Section 149(6) of the Companies Act, 2013 and Regulations 16(1) (b) & 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and there has been no change in the circumstances, which may affect their status as Independent Director during the year.

The Independent Directors met on 25<sup>th</sup> March, 2024, without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole; the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**17. BOARD MEETINGS:**

The Company held ten meetings of its Board of Directors during the year on May 05, 2023, May 29, 2023, June 05, 2023, June 17, 2023, June 21, 2023, June 27, 2023, September 28, 2024, November 22, 2024, December 18, 2023 and February 22, 2024.



## 18. COMMITTEES OF THE BOARD:

### (a) Audit Committee:

The Audit Committee, as per Section 177 of Companies Act, 2013, was constituted on June 05, 2023 under the chairmanship of Mr. Nikhil Malpani. After constitution the committee met Three (3) times with full attendance of all the members. The composition of the Audit Committee as at March 31, 2024 and details of the Members participation at the Meetings of the Committee are as under:

Name of Director	Category	Position in the committee	Attendance at the Audit Committee Meetings held on		
			17.06.2023	22.06.2023	18.12.2023
Mr. Nikhil Malpani	Non-Executive - Independent Director	Chairman	Yes	Yes	Yes
Mrs. Mayuri Rupareliya	Non-Executive - Independent Director	Member	Yes	Yes	Yes
Mr. Ajit Mundle	Chairman & Managing Director	Member	Yes	Yes	Yes

The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013. Some of the important functions performed by the Committee are:

### Financial Reporting and Related Processes:

- Oversight of the Company's financial reporting process and financial information submitted to the Stock Exchanges, regulatory authorities or the public.
- Reviewing with the Management, the Half Yearly Unaudited Financial Statements and the Auditor's Limited Review Report thereon / Audited Annual Financial Statements and Auditors' Report thereon before submission to the Board for approval. This would, inter alia, include reviewing changes in the accounting policies and reasons for the same, major accounting estimates based on exercise of judgement by the Management, significant adjustments made in the Financial Statements and / or recommendation, if any, made by the Statutory Auditors in this regard.
- Review the Management Discussion & Analysis of financial and operational performance.
- Discuss with the Statutory Auditors its judgement about the quality and appropriateness of the Company's accounting principles with reference to the Accounting Standard Policy.
- Review the investments made by the Company.

All the Members on the Audit Committee have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.

The Auditors, Internal Auditors, Chief Financial Officer are invited to attend the meetings of the Committee. The Company Secretary acts as the Secretary to the Committee.

### (b) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee, as per Section 178(1) of Companies Act, 2013, was constituted on June 05, 2023 under the Chairmanship of Mrs. Mayuri Rupareliya. After constitution the committee met once with full attendance of all the members. The composition of the Nomination and Remuneration Committee as at March 31, 2024 and details of the Members participation at the Meetings of the Committee are as under:



Name of Director	Category	Position in the committee	Attendance at the Remuneration Committee held on 22.06.2023
Mrs. Mayuri Rupareliya	Non – Executive Independent Director	Chairman	Yes
Mrs. Priyanka Moondra Rathi	Non – Executive Independent Director	Member	Yes
Mr. Nikhil Malpani	Non – Executive Independent Director	Member	Yes

The terms of reference of the Committee as per Companies Act 2013 and SEBI (LODR) 2015, include the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a) Use the services of an external agencies, if required;
  - b) Consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c) Consider the time commitments of the candidates.
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.

The Company has formulated a Remuneration Policy which is annexed to the Board's Report in "Annexure I".

#### (c) Stakeholders Relationship Committee:

The Stakeholders Relationship Committee, as per Section 178 (5) of Companies Act, 2013, is under Chairmanship of Mrs. Mayuri Rupareliya as at March 31, 2024. The Committee is governed by a Charter, which is in line with the regulatory requirements mandated by the Companies Act, 2013. During the year, the committee met one time with full attendance of all the members. The composition of the Stakeholders Relationship Committee as at March 31, 2024 and details of the Members participation at the Meetings of the Committee are as under:

Name of Director	Category	Position in the committee	Attendance at the Stakeholders' Relationship Committee held on 18.12.2023
Mrs. Mayuri Rupareliya	Non – Executive Independent Director	Chairperson	Yes
Mr. Ajit Mundle	Chairman & Managing Director	Member	Yes
Mrs. Jyoti Mundle	Whole Time Director	Member	Yes



The terms of reference of the Committee are:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

During the year, no complaints were received from shareholders. There are no balance complaints. The Company had no share transfers pending as on March 31, 2024.

Ms. Radhika Bhootra, Company Secretary is the Compliance Officer of the Company w.e.f. June 05, 2023.

#### **19. BOARD'S PERFORMANCE EVALUATION:**

The Board of Directors carried out an annual evaluation of the Board itself, its Committees and individual Directors. The entire Board carried out performance evaluation of each Independent Director excluding the Independent Director being evaluated. The Nomination Remuneration Committee also carried out evaluation of every director's performance.

The evaluation was done after taking into consideration inputs received from the Directors, setting out parameters of evaluation. Evaluation parameters of the Board and Committees were mainly based on Disclosure of Information, Key functions of the Board and Committees, Responsibilities of the Board and Committees, etc. Evaluation parameters of

Individual Directors including the Chairman of the Board and Independent Directors were based on Knowledge to Perform the Role, Time and Level of Participation, Performance of Duties and Level of Oversight and Professional Conduct etc.

Independent Directors in their separate meeting evaluated the performance of Non-Independent Directors, Chairman of the Board and the Board as a whole.

#### **20. CORPORATE SOCIAL RESPONSIBILITY**

The Company does not fall under the criteria laid under the provisions of Section 135 of the Companies Act 2013 and rules framed there under for the year ended 31<sup>st</sup> March 2024. Therefore, the provisions of Corporate Social Responsibility are not applicable to the Company during the period.

#### **21. AUDITORS:**

##### **i. Statutory Auditors:**

The Board has re-appointed M/s B.B. Gusani & Associates (FRN: 140785W), Chartered Accountants as the statutory auditors of the Company for term of five consecutive years, for Financial year 2023-24 to Financial Year 2027-28, from the conclusion of 32<sup>nd</sup> Annual General Meeting, held in 2023 till the conclusion of the 37<sup>th</sup> Annual General Meeting to be held in the year 2028, as approved by shareholders of the Company.





**ii. Secretarial Auditor:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed JNG & CO., a firm of Company Secretaries in Practice (CP No. 8108), to undertake the Secretarial Audit of the Company for the F.Y. 2023-24 and F.Y. 2024-25. The Secretarial Audit Report for F.Y. 2023-24 is annexed herewith as “Annexure II”.

**iii. Cost Auditor:**

The Company does not fall within the provisions of Section 148 of the Companies Act, 2013, as read with the Companies (Cost Records and Audit) Rules, 2014. Therefore, the maintenance of cost records and the applicability of cost audits, as specified by the Central Government under Section 148 of the Companies Act, 2013, are not applicable to the Company.

**iv. Internal Auditor:**

The Board of Directors based on the recommendation of the Audit Committee and pursuant to the provisions of section 138 of the Act read with the Companies (Accounts) Rules, 2014, has appointed M/s. DGMS & Co., (Firm Registration Number 0112187W) Chartered Accountants, Mumbai as the Internal Auditors of the Company for the financial year 2023-24 and 2024-25. The Internal Auditor conducts the internal audit of the functions and operations of the Company and reports to the Audit Committee and Board.

**22. AUDITOR’S REPORT:**

The Auditor’s Report and Secretarial Auditor’s Report does not contain any qualifications, reservations or adverse remarks. Report of the Auditors are given as an Annexure which forms part of this report.

**23. VIGIL MECHANISM / WHISTLE – BLOWER POLICY:**

Pursuant to the provisions of Section 177(9) of the Act, read with the Rules made thereunder, the Company has adopted a Whistle-Blower Policy for Directors and Employees to report genuine concerns and to provide adequate safeguards against victimization of persons who may use such mechanism. The functioning process of this mechanism has been more elaborately mentioned in the Corporate Governance Report which forms part of this Annual Report. The said Policy is available on Company’s website at <https://www.arrowhead-dryers.com/policies.php>.

**24. INTERNAL AUDIT & CONTROLS:**

Pursuant to provisions of Section 138 read with rules made there under, the Board has appointed M/s. DGMS & Co., Chartered Accountants, as an Internal Auditors of the Company to check the internal controls and functioning of the activities and recommend ways of improvement. The Internal Audit is carried out on half yearly basis; the report is placed in the Audit Committee Meeting and the Board Meeting for their consideration and direction.

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company’s internal financial controls were adequate and effective during the financial year 2023-24.





**25. RISK ASSESSMENT AND MANAGEMENT:**

The Company has been on a continuous basis reviewing and streamlining its various operational and business risks involved in its business as part of its risk management policy. The Company also takes all efforts to train its employees from time to time to handle and minimize these risks.

**26. LISTING WITH STOCK EXCHANGES:**

During the period under review, Arrowhead Separation Engineering Limited got listed on the SME Platform of the BSE Limited on November 28, 2024. It has paid the Annual Listing Fees for the year 2024-25 to BSE Limited.

**27. COMPLIANCE WITH SECRETARIAL STANDARDS:**

In terms of Section 118(10) of the Act, the Company is complying with the Secretarial Standards issued by the Institute of Company Secretaries of India and approved by Central Government with respect to Meetings of the Board of Directors and General Meetings.

**28. \*PARTICULARS OF EMPLOYEES AND REMUNERATION**

The information required under Section 197 & Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given below.

- a) The median remuneration of employees of the Company during the financial year is Rs. 430113.84
- b) Percentage increase/decrease in the median remuneration of employees in the financial year 2023-24 : Not Applicable
- c) Number of permanent employees on the rolls of the Company as on March 31, 2024: 51 (Fifty One).
- d) It is hereby affirmed that the remuneration paid during the year is as per the Remuneration policy of the Company.
- e) There is no employee covered under the provisions of section 197(14) of the Companies Act, 2013.

There was no employee in the Company who drew remuneration of Rs. 1,00,00,000/- per annum during the period under review. Hence, the Company is not required to disclose any information as per Rule 5(2) of the Companies (Appointment and Remuneration) Rules, 2014.

**29. POLICIES AND DISCLOSURE REQUIREMENTS:**

In terms of provisions of the Companies Act, 2013 the Company has adopted following policies which are available on its website <https://www.arrowhead-dryers.com/policies.php>.

**30. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

**i. Conservation of Energy**

- a) **The steps taken or impact on conservation of energy** – The Operations of the Company are not energy intensive. However, adequate measures have been initiated for conservation of energy.
- b) **The steps taken by the Company for utilizing alternate source of energy** – Company shall consider on adoption of alternate source of energy as and when necessities.
- c) **The Capital Investment on energy conservation equipment** – No Capital Investment yet.



ii. **Technology Absorption**

- a) **The efforts made towards technology absorption.** – Minimum technology required for Business is absorbed.
- b) **The benefits derived like product improvement, cost reduction, product development or import substitution** – Not Applicable.
- c) **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)** – Not Applicable.
  1. the details of technology imported;
  2. the year of import;
  3. whether the technology been fully absorbed;
  4. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof

iii. **The expenditure incurred on Research and Development** – Not Applicable.

iv. **Foreign exchange earnings and Outgo** - Not Applicable.

**31. PARTICULARS OF LOANS, INVESTMENTS AND GUARANTEES:**

Particulars of loans given, investments made, guarantees given and securities provided are provided in the financial statements.

**32. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

No contracts / arrangements / transactions entered by the Company during the financial year with related parties. Thus Disclosure in form AOC-2 is not required. Further, during the year, the Company had not entered into any contract / arrangement /transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. The details of the related party transactions as required under Indian Accounting Standard (IND-AS) – 24 are set out in Note to the financial statements forming part of this Annual Report.

**33. DEPOSITS:**

Your Company did not accept / hold any deposits from public / shareholders during the year under review.

**34. PREVENTION OF INSIDER TRADING:**

In compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company has formulated and adopted the revised “Code of Conduct for Prevention of Insider Trading” (“the Insider Trading Code”). The object of the Insider Trading Code is to set framework, rules and procedures which all concerned persons should follow, while trading in listed or proposed to be listed securities of the Company. During the year, the Company has also adopted the Code of Practice and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (“the Code”) in line with the SEBI (Prohibition of Insider Trading) Amendment Regulations, 2018. The Code is available on the Company’s website <https://www.arrowhead-dryers.com/policies.php>.

**35. RELATED PARTY TRANSACTIONS**

All transactions entered into with related parties as defined under the Act during the FY were in the ordinary course of business and on an arm’s length pricing basis and do not attract the provisions of Section 188 of the Act. There were no materially significant transactions with the related parties during the FY which were in conflict with the interest of the Company.



**36. SIGNIFICANT AND MATERIAL ORDERS:**

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

**37. FRAUD REPORTING**

There have been no frauds reported by the Auditors of the Company to the Audit Committee or the Board of Directors under sub-section (12) of section 143 of the Companies Act, 2013 during the financial year.

**38. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has in place an Anti-Sexual Harassment Policy in line with the Requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 and an Internal Complaints Committee has been set up to redress complaints received regarding Sexual Harassment at workplace, with a mechanism of lodging & redress the complaints. All employees (permanent, contractual, temporary, trainees, etc.) are covered under this policy.

Your Directors further state that pursuant to the requirements of Section 22 of Sexual Harassment of Women at Work place (Prevention, Prohibition & Redressal) Act, 2013 read with Rules there under, the Company has not received any complaint of sexual harassment during the year under review.

**39. HUMAN RESOURCES:**

The Company has established an organization structure that is agile and focused on delivering business results. With regular communication and sustained efforts it is ensuring that employees are aligned on common objectives and have the right information on business evolution.

**40. CORPORATE GOVERNANCE:**

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 exempts companies which have listed their specified securities on SME Exchange from compliance with corporate governance provisions.

Since the equity share capital of your Company is listed exclusively on the SME Platform of BSE, the Company is exempted from compliance with Corporate Governance requirements, and accordingly the reporting requirements like Corporate Governance Report, Business Responsibility Report etc. are not applicable to the Company.

**41. DISCLOSURES:**

The following disclosures are not applicable to the company:

1. The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year alongwith their status as at the end of the financial year.
2. The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.



**42. DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures.
- ii. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.
- iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. They have prepared the annual accounts on a going concern basis.
- v. They have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively.
- vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**43. CAUTIONARY STATEMENTS:**

Statements in this Annual Report, particularly those which relate to Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied in the statement depending on the circumstances.

**44. ACKNOWLEDGEMENTS:**

The Directors would like to express deep sense of appreciation for the assistance and co-operation received from the Financial Institutions, Banks, Government Authorities and Shareholders and for the devoted service by the Executives, staff and workers of the Company. The Directors express their gratitude towards each one of them.

**Registered Office:**

Survey No 39, Village Mundhegaon, Tal Igatpuri,  
Nashik - 422403, Maharashtra.

**Tel :** 8422829060

**CIN:** U74210MH1991PLC062643

**Website:** <https://www.arrowhead-dryers.com/>

**Email:** [compliance@arrowhead-dryers.co.in](mailto:compliance@arrowhead-dryers.co.in)

By Order Of The Board Of Directors  
**For Arrowhead Separation Engineering Limited**  
*(Formerly known as Arrowhead Separation Engineering Pvt Ltd.)*

Sd/-

**Mr. Ajit Mundle**  
(Chairman & Managing Director)  
DIN: 01745577  
Nashik, Tuesday, September 03, 2024



**Annexures to Board's Report (Contd).**

*Annexure – I*

**Remuneration Policy**

This Remuneration Policy relating to remuneration for the directors, key managerial personnel and other employees, has been formulated by the Nomination and Remuneration Committee (hereinafter “Committee”) and approved by the Board of Directors.

**Objectives:**

The objectives of this policy are to stipulate criteria for:

- Appointment, reappointment, removal of Directors, KMPs and Senior Management
- Determining qualifications, positive attributes and independence of a director and recommend to the Board
- Retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage to run the operations of the Company successfully
- Consider and determine the remuneration, based on the fundamental principles of payment for performance, for potential, and for growth

**Criteria for Appointment:**

- Ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment
- Age, number of years of service, specialized expertise and period of employment or association with the Company
- Special achievements and operational efficiency which contributed to growth in business in the relevant functional area
- Constructive and active participation in the affairs of the Company
- Exercising the responsibilities in a bonafide manner in the interest of the Company
- Sufficient devotion of time to the assigned tasks
- Diversity of the Board
- Demonstrable leadership qualities and interpersonal communication skills, devote to the role, compliant with the rules, policies and values of the Company and does not have any conflicts of interest
- Transparent, unbiased and impartial and in accordance with appropriate levels of confidentiality.
- Appointment of Directors and KMPs in compliance with the procedure laid down under the provisions of the Companies Act, 2013, rules made thereunder or any other enactment for the time being in force

**Criteria for Remuneration:**

The Remuneration Policy reflects on certain guiding principles of the Company such as aligning remuneration with the longer term interests of the Company and its shareholders, promoting a culture of meritocracy and creating a linkage to corporate and individual performance, and emphasizing on line expertise and market competitiveness so as to attract the best talent. It also ensures the effective recognition of performance and encourages a focus on achieving superior operational results.

The level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate the directors, key managerial personnel and other employees of the quality required to run the Company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration to directors, key managerial personnel and senior management personnel should also involve a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

The remuneration of the Non-Executive Directors shall be based on their contributions and current trends, subject to regulatory limits. Sitting fees is paid for attending each meeting(s) of the Board and Committees thereof. Additionally equal amount of commission may be paid to Non-executive directors on a pro-rata basis, within limits approved by shareholders.



**Annexures to Board's Report (Contd).**

*Annexure – II*

**Form No. MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 2024**

*[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,  
**Arrowhead Seperation Engineering Limited**  
*(Formerly known as Arrowhead Seperation Engineering Pvt Ltd.)*  
Survey No 39 Village  
Mundhegaon, Tal- Igatpuri  
Nasik – 422403

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Arrowhead Seperation Engineering Limited (formerly known as Arrowhead Seperation Engineering Pvt Ltd.)**(Hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information, management representations provided by the Company, its officers, agents and authorized representatives and based on the draft independent auditors report during the conduct of the Secretarial Audit, the explanations and clarifications given to me and the representations made by the Management, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;
  - iv. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2014; **(not applicable to the company during the review period)**



- v. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during the Audit Period)**
- vi. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period)**
- vii. 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;
- viii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period)**
- ix. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**
- x. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (SEBI LODR) and
- xi. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with the BSE Limited

**I further report that,**

Based on the information provided and the representation made by the Company and also on the review of the compliance reports of Company Secretary / Chief Executive Officer taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes exist in the Company to monitor and ensure compliance with provisions of applicable general laws.

**I further report that,**

The compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, mentioned hereinabove and there is adequate compliance management system for the purpose of other laws. I have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliances under other laws and regulations applicable to the Company.

**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 as on 31<sup>st</sup> March, 2024. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance or on shorter notice with necessary prior approval, whenever applicable, 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.





Majority decisions of the Board and committee meetings are carried out unanimously as recorded in the minutes of the meeting of the board of directors or committees thereof as the case may be. There were no dissenting views of any member of the Board or committees thereof during the period under review.

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

**I further report that**

The members may note that during the audit period, the following specific events / actions having major bearing on the Company's affairs had taken place;

**1. Change in status of the Company during the year under review;**

During the Audit Period, the Company converted from Private Limited to Public Limited Company and upon conversion, the name of the company was changed from Arrowhead Separation Engineering Pvt Ltd to Arrowhead Separation Engineering Limited with all the applicable provisions. The fresh certificate of incorporation consequent to conversion was issued on April 18, 2023 by the Registrar of Companies, Mumbai.

**2. Change in Capital Structure of the Company the year under review;**

At the beginning of the year, Company's paid up capital was Rs. 13133250 including 13,13,325 equity shares of Rs. 10 each. Then after company come up with the IPO as mentioned below.

**Fresh Issue through Initial Public Offer (IPO):** The Company has allotted 558000 Equity Shares of face value of Rs. 10/- each fully paid up for cash at a price of Rs. 233/- per equity share capital (including Rs. 223/- premium per equity share) aggregating to Rs. 13,00,14,000/- (Rupees Thirteen Crore Fourteen Thousand Only) under Initial Public Offering (IPO) as on November 22, 2023. The aforementioned equity shares of the Company got listed on BSE SME Platform on November 28, 2023.

**3. Appointment of Independent Directors:**

- (i) Mr. Nikhil Malpani (DIN: 09816032) was appointed as a Non-Executive Independent Director to hold office for a term of 5 consecutive years w.e.f. May 29, 2023 with the shareholders' approval by passing special resolution in extraordinary general meeting held on May 29, 2023.
- (ii) Ms. Priyanka Moondra Rathi (DIN: 09485101) was appointed as a Non-Executive Independent Director to hold office for a term of 5 consecutive years w.e.f. May 29, 2023 with the shareholders' approval by passing special resolution in extraordinary general meeting held on May 29, 2023.

**4. Re- Designation of Directors:**

- (i) Re- Designation of Ms. Jyoti Vijay Mundle (DIN: 01744211) from Director to whole time director for a period of five years w.e.f. May 29, 2023 with the shareholders' approval by passing special resolution in extraordinary general meeting held on May 29, 2023.
- (ii) Re- Designation of Ajit Shankar Mundle (DIN: 01745577) from Director to Chairman and Managing Director for a period of five years w.e.f. May 29, 2023 with the shareholders' approval by passing special resolution in extraordinary general meeting held on May 29, 2023.





**5. Appointment/ Resignation of CFO and CS**

- (i) Mr. Sitaram Sakharam Kavar is appointed as Chief Financial Officer (CFO) of the Company w.e.f. May 05, 2023 by the Board of Directors of the company.
- (ii) Ms. Radhika Bhootraas (ACS: A63203) is appointed as Company Secretary and Compliance officer of the Company w.e.f. June 05, 2023 by the Board of Directors of the company.

**6. Appointment of Statutory Auditor**

M/s B B Gusani & Associates, Chartered Accountant (FRN: 140785W) appointed as the statutory Auditors of the company for term of 5 years for FY 2023-24 to 2027-28 by the shareholders of the company in the annual general meeting held as on July 17, 2023.

**For JNG & Co.,**

**Sd/-**

**Jigarkumar Gandhi**

**FCS: 7569**

**C.P. No. 8108**

**Peer Review No.1972/2022**

**Place: Mumbai**

**Date: 03<sup>rd</sup> September, 2024**

**UDIN: F007569F001122485**

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



**ANNEXURE - I**

List of documents verified

1. Memorandum & Articles of Association of the Company.
2. Minutes of the meetings of the Board of Directors and various committees comprising of Audit Committee, Nomination & Remuneration Committee etc. held during the period under report.
3. Minutes of General Body Meetings held during the period under report.
4. Statutory Registers/Records under the Companies Act and rules made there under
5. Agenda papers submitted to all the directors / members for the Board Meetings and Committee Meetings.
6. Declarations received from the Directors of the Company pursuant to the provisions of 184 of the Companies Act, 2013.
7. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the period under report, with or without additional fees.
8. Intimations received from directors under the prohibition of Insider Trading and SEBI Takeover Code
9. Various policies framed by the company from time to time as required under the statutes applicable to the company.
10. Processes and procedure followed for Compliance Management System for applicable laws to the Company
11. Communications / Letters issued to and acknowledgements received from the Independent directors for their appointment
12. Various policies framed by the company from time to time as required under the Companies Act as well as listing agreement/SEBI LODR Regulations.



**ANNEXURE - II**

To,  
The Members,  
**Arrowhead Seperation Engineering Limited**  
*(Formerly known as Arrowhead Seperation Engineering Pvt Ltd.)*  
Survey No 39 Village  
Mundhegaon, Tal- Igatpuri  
Nasik – 422403

Sub: Secretarial Audit Report for the Financial Year ended on 31<sup>st</sup> March, 2024

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

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

**For JNG & Co.,**

**Sd/-**

**Jigarkumar Gandhi**

**FCS: 7569**

**C.P. No. 8108**

**Peer Review No.1972/2022**

**Place: Mumbai**

**Date: 03<sup>rd</sup> September, 2024**

**UDIN: F007569F001122485**



**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**INDUSTRY STRUCTURE AND DEVELOPMENTS:**

The engineering sector is the largest of the industrial sectors in India. It accounts for 27% of the total factories in the industrial sector and represents 63% of the overall foreign collaborations. Demand for engineering sector services is being driven by capacity expansion in industries like infrastructure, electricity, mining, oil and gas, refinery, steel, automobiles, and consumer durables. India has a competitive advantage in terms of manufacturing costs, market knowledge, technology, and innovation in various engineering sub-sectors. India's engineering sector has witnessed a remarkable growth over the last few years, driven by increased investment in infrastructure and industrial production. The engineering sector, being closely associated with the manufacturing and infrastructure sectors, is of huge strategic importance to India's economy.

Manufacturing is emerging as an integral pillar in the country's economic growth, thanks to the performance of key sectors like automotive, engineering, chemicals, pharmaceuticals, and consumer durables. The Indian manufacturing industry generated 16-17% of India's GDP pre-pandemic and is projected to be one of the fastest growing sectors.

India is gradually progressing on the road to Industry 4.0 through the Government of India's initiatives like the National Manufacturing Policy which aims to increase the share of manufacturing in GDP to 25 percent by 2025 and the PLI scheme for manufacturing which was launched in 2022 to develop the core manufacturing sector at par with global manufacturing standards.

**INDIAN MARKET:**

Manufacturing exports have registered their highest ever annual exports of US\$ 447.46 billion with 6.03% growth during FY23 surpassing the previous year (FY22) record exports of US\$ 422 billion. By 2030, Indian middle class is expected to have the second-largest share in global consumption at 17%.

India's gross value added (GVA) at current prices was estimated at US\$ 770.08 billion as per the quarterly estimates of the first quarter of FY24..

As per the economic survey reports, estimated employment in manufacturing sector in India was 5.7 crore in 2017-18, 6.12 crore in 2018-19 which was further increased to 6.24 crore in 2019-20. India's display panel market is estimated to grow from ~US\$ 7 billion in 2021 to US\$ 15 billion in 2025.

The manufacturing GVA at current prices was estimated at US\$ 110.48 billion in the first quarter of FY24.

**GLOBAL MARKET:**

The Engineering Market size is estimated at USD 1.67 trillion in 2024, and is expected to reach USD 2.04 trillion by 2029, growing at a CAGR of 4.20% during the forecast period (2024-2029).

The market size represents the revenue generated from various types of services, such as product engineering, process engineering, automation-related services, and asset management-related services, offered by market players.

Infrastructure demand is a significant driver of the engineering services industry since it creates a need for specialized skills and encourages innovation. Infrastructure projects are often vast and complicated, necessitating the need for engineering service providers to design, plan, and execute these projects, thereby delivering value-added services to their customers. Furthermore, the need for infrastructure is pushing innovation in the engineering services sector as suppliers create new, more efficient methods of designing and building infrastructure.



The value of all new infrastructure buildings in the United States reached USD 1844.10 billion in February 2023, up from USD 1808.34 billion in October 2022, according to the US Census Bureau. Growing infrastructure is increasing the need for engineering service providers to increase their skills and interact with other providers and stakeholders to satisfy the demands of clients.

The use of digital technologies such as AI, IoT, and cloud computing also drives the market. These technologies are used to gather, process, and analyze massive volumes of data in real-time to make better decisions. Architectural design and engineering services are being transformed by new technology. Engineering businesses must examine and adopt these relevant technological innovations to remain competitive. According to Deltek's research, 25% of architectural and engineering businesses perceive their firms to be digitally advanced now, while 76% anticipate it to be in five years.

However, political insecurity, such as changes in government, laws, and regulations or geopolitical conflicts, can cause uncertainty for businesses and investors, lowering investment and demand for services related to engineering and stifling market growth.

The COVID-19 pandemic highlighted the need for sustainability, with service providers assisting customers in implementing energy-efficient buildings, circular economy projects, and renewable energy. Despite obstacles, including growing labor costs and supply chain interruptions, the industry is expected to develop steadily in the post-pandemic era. Source: <https://www.mordorintelligence.com/industry-reports/engineering-services-market>

## **OPPORTUNITIES**

- The need for superior quality and process execution.
- Global Market Expansion: Exploring new markets, partnerships, and export opportunities.
- Need for leadership in sophisticated solutions to enable our clients to optimize the efficiency of their businesses.
- Constant upgradation of the technology enables us to emerge as a leader in this fast-paced environment.
- Consolidation/acquisitions/restructuring opens out opportunities for the business.
- Creating connected data-driven factories for real-time monitoring and optimization.
- Implementing advanced quality control methods, such as AI-powered inspection and predictive analytics.

## **THREATS:**

- Enhanced competition from both local and global players and the rise of disruptive business models in manufacturing industry and the emergence of new technology, the company runs the risk of obsolescence.
- A dependence on technology and third-party platforms exposes us to threats posed on the internet such as virus attacks leading to execution failures and disclosure of client information.
- Adapting to evolving industry standards, laws, and regulations.
- Risks of theft, counterfeiting, and unauthorized use of proprietary technologies.
- Intensifying competition from low-cost countries and emerging markets.
- Rapid technological advancements can render existing equipment and processes outdated.

## **BUSINESS PERFORMANCE:**

### **1) REVIEW OF OPERATIONS:**

The Total Income of the Company stood at ₹ 3,432.04 lacs for the year ended March 31, 2024 as against ₹ 4,670.88 lacs in the previous year. The Company made a net profit of ₹ 645.53 lacs for the year ended March 31, 2024 as compared to the net profit of ₹ 148.78 lacs in the previous year.

### **2) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The company has an Internal Control System commensurate with its requirement and size of business to ensure that the assets and interest of the company assets are safeguarded. The adequacy and effectiveness of the internal control across



various activities, as well as compliance with laid down system and policies are comprehensively and frequently monitored by your company's management at all the levels of the organization. The company has established well defined policies and processes across the organization covering all major activities including authority for approvals. In all cases where monetary decisions are involved, various limits and authorities are in place.

The Company's internal controls are structured in a manner that ensure reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use or losses, executing transactions with proper authorization and ensuring compliance of corporate policies, laws and accounting standards.

With a strong monitoring system in place, the Company has an Audit Committee, the details of which have been provided in the Corporate Governance Report. The Audit Committee of the Board of Directors review the existing audit procedures and internal systems of control on an ongoing basis keeping in mind the organization's requirements, growth prospects and ever evolving business environment. They also review the internal audit findings and recommendations and ensure that corrective measures are implemented. Suggestions for improvement are considered and the Audit Committee follows up on the implementation of corrective actions.

### **3) RISKS AND CONCERN:**

Risk is an integral part of the business and we aim at delivering superior shareholder value by achieving an appropriate balance between risks and returns. The industry is subject to continuously evolving legislative and regulatory environment due to increasing globalization, integration of world markets, newer and more complex products & transactions and an increasingly stringent regulatory framework.

Our senior management identifies and monitors the risks on an ongoing basis and evolves processes/systems to monitor and control the same to contain the risks to minimum levels. Periodic monitoring by our officials helps in identifying risks in early stage. If required, a risk event update report is periodically placed before the Board of Directors of the Company.

Regulatory framework, focused on maintaining controls on domestic businesses but even inadvertently creating more favorable regulatory environment for global entities operating in India is a matter of concern. We actively participate in dialogue in industry bodies and with regulators to point these out and to recommend appropriate changes.

### **4) RISK MANGEMENT:**

For Arrowhead Seperation Engineering Limited, an effective risk management policy lies at the core of our business philosophy. Arrowhead Seperation Engineering Limited is exposed to various risks and uncertainties in the normal course of our business.

Arrowhead Seperation Engineering Limited, risk management strategy has product modification, research and development, strategies to enhance exports, etc. Multiple products and diverse revenue streams enable the Company to ensure continued offering of customized solutions to suit client needs at all times – good and bad.

### **5) KEY RATIOS**



<b>Ratios</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>	<b>Change in ratios in %</b>
Current ratio	3.83	1.27	201.68
Debt- Equity Ratio	0.11	3.30	-96.64
Debt Service Coverage ratio	3.86	1.55	149.81
Return on Equity ratio	0.22	0.52	-59.83
Inventory Turnover ratio	2.74	2.41	13.81
Trade Receivable Turnover Ratio	2.96	2.78	6.36
Trade Payable Turnover Ratio	4.25	2.98	42.87
Net Capital Turnover Ratio	1.39	4.98	-72.19
Net Profit ratio	0.08	0.05	72.68
Return on Capital Employed	0.19	0.55	-64.99
Return on Investment	0.02	0.03	-54.46

**REASONS FOR MORE THAN 25% VARIANCE**

<b>RATIOS WITH VARIANCE MORE THAN 25%</b>	<b>REASONS FOR VARIANCE</b>
Current ratio	Due to decrease in current liability as the short-term borrowing were repaid during the year, leading to better ratio.
Debt- Equity Ratio	Due to decrease in debt liability as the borrowings were repaid during the year, leading to better ratio.
Debt Service Coverage ratio	Due to substantial increase in earnings for debt service as compared to interest and principal repayment of long term borrowing.
Return on Equity ratio	Due to increase in net profits , while simultaneous increase in Average Shareholder's Equity as the shares were issued during the year
Inventory Turnover ratio	Due to increase in revenue from operation as compared to average inventory.
Trade Receivable Turnover Ratio	Due to increase in revenue from operation and better management of debtors.



<b>RATIOS WITH VARIANCE MORE THAN 25%</b>	<b>REASONS FOR VARIANCE</b>
Trade Payable Turnover Ratio	With rise in business, more purchases are being made and at better credit terms and are paid on time, thereby maintaining average trade payable
Net Capital Turnover Ratio	Increase in working capital gap during 2023-24 as the current liabilities are paid and there is increase in current asset..
Net Profit ratio	Better profit margins resulting in increase in net profits over the years.
Return on Capital Employed	With the increase in profit before interest and tax, there is simultaneous increase in capital in business.
Return on Investment	Fall in return on investment is due to increase in deposit as an investment towards end of period.

#### **6) HUMAN RESOURCES:**

Arrowhead Separation Engineering Limited is part of a dynamic and progressive group that actively fosters a challenging work environment and encourages Entrepreneurship. With trust being the critical part of our business belief, we lay a strong emphasis on integrity, teamwork, innovation, performance and partnership. Our professional staff with diverse backgrounds brings varied talent, knowledge and experience to the Group, helping our businesses to remain competitive, achieve greater success and newer milestones. Our management team and board of directors are resolved to do what, we believe, is best for our shareholders, clients and associates.

At Arrowhead Separation Engineering Limited, we recruit for skill, experience, right attitude, commitment and diversity. However, the one common trait that runs through the DNA of every employee is entrepreneurship. We encourage our employees to act as owners, partners and managers of their individual functions while providing a conducive environment for them to be creative and productive.

#### **7) OUTLOOK:**

The new initiatives undertaken are in early stages and FY 2025 marks the beginning of a transition of the business from a pure traditional brokerage into a new generation digital brokerage. It will leverage its relations with multiple fintech and bank partners to capitalize on the growing financial services opportunity in India.

#### **8) SAFE HARBOUR:**

This document contains statements about expected future events, financial and operating results of the businesses, which are forward-looking. By their nature, forward-looking statements require the businesses to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of Arrowhead Separation Engineering Limited's Annual Report, FY2023-24





**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the  
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of,  
**Arrowhead Seperation Engineering Limited**  
(Formally known as *Arrowhead Seperation Engineering Pvt Ltd.*)  
Survey No. 39,  
Village Mundhegaon,  
Tal Iyatpuri,  
Nasik 422403.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Arrowhead Seperation Engineering Limited (Formally known as Arrowhead Seperation Engineering Pvt Ltd.)** having CIN: U74210MH1991PLC062643 hereinafter referred to as the “Company”) produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in the Company
1.	Jyoti Vijay Mundle	01744211	25/07/1991
2.	Ajit Shankar Mundle	01745577	25/07/1991
3.	Mayuri Bipinbhai Rupareliya	09696908	18/11/2022
4.	<sup>1</sup> Nikhil Malpani	09816032	29/05/2023
5.	<sup>2</sup> Priyanka Moondra Rathi	09485101	29/05/2023

**\*Notes:**

<sup>1</sup> Mr. Nikhil Malpani (DIN: 09816032) was appointed as Non-Executive Independent Directors by shareholders of the company in the extra ordinary general meeting held as on as on 29<sup>th</sup> May, 2023.

<sup>2</sup> Ms. Priyanka Moondra Rathi (DIN: 09485101) was appointed as Non-Executive Independent Directors by shareholders of the company in the extra ordinary general meeting held as on as on 29<sup>th</sup> May, 2023



*Dates of Appointment of Directors as stated above are based on information appearing on the MCA portal.*

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

**For JNG & Co.,  
(Company Secretaries)**

Sd/-

**Place: Mumbai  
Date: 03<sup>rd</sup> September, 2024  
UDIN: F007569F001122311  
Peer Review No. 1972/2022**

**Jigarkumar Gandhi  
Proprietor  
FCS No.7569  
COP No. 8108**

## **INDEPENDENT AUDITOR'S REPORT**

**To Members Of  
Arrowhead Separation Engineering Limited**

**Report on the Accounting Standards (AS) Financial Statements**

### **Opinion**

We have audited the accompanying financial statements of Arrowhead Separation Engineering Limited, which comprise the Balance Sheet as at 31<sup>st</sup> March, 2024, and the Statement of Profit and Loss and Cash Flow Statement and the statement of Changes in Equity for the period ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. (Hereinafter referred to as the “standalone financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2015, as amended, (“AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (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 ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

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

There are no Key Audit Matters Reportable as per SA 701 issued by ICAI.

### **Information Other than the Financial Statements 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, Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of our auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available 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.

When we read the other information included in the above reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

### **Management's Responsibility for the Financial Statements**

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

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

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

### **Auditor's Responsibility**

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 standalone financial statements.

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

Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from

fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements, or, if such disclosures are inadequate, to modify our opinion.

Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in "Annexure A", a statement on the matter specified in the paragraph 3 and 4 of the Order.

2. As required under provisions of section 143(3) of the Companies Act, 2013, we report that:

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

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

The Balance Sheet and Statement of Profit and Loss including Statement of Cash Flow and Statement of Changes of Equity dealt with this report are in agreement with the books of account;

In our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Ind AS specified in section 133 of the Act, read with relevant rule issued thereunder.

On the basis of written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of section 164(2) of the Act.

With respect to the adequacy of the internal financial controls over financial reporting of the company and operating effectiveness of such controls, referred to our separate report in "Annexure B".

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.

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

- (a) The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its standalone financial statements - Refer Note (vii) of Annexure - A to the standalone financial statements
- (b) The Company did not have any long-term and derivative contracts as at March 31,2024.
- (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31,2024,
- (d) The management has;
  - represented that, to the best of its knowledge and belief as disclosed in Note to the Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"),with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
    - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
    - Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

- (i) represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or
  - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
- (ii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (d) (i) and (d) (ii) contain any material mis-statement.
- (e) The company has not neither declared nor paid any dividend during the year under Section 123 of the Act.
- (f) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable with effect from April 1, 2023 to the Company and its subsidiaries, which are companies incorporated in India, and accordingly, The Company has used accounting software ‘Tally Prime System’ for maintaining its books of account which has a feature of recording audit trail facility and the same has not been operated throughout the period for all transactions recorded in the software and the hence we are unable to comment on audit trail feature of the said software .

For B.B Gusani & Associates  
Chartered Accountant

Sd/-

Bhargav Gusani  
Proprietor Mem No: 120710  
DATE: 22/05/2024  
Place: Jamnagar  
UDIN: 24120710BJZWCW9738



**ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT ON THE FINANCIAL STATEMENT OF ARROWHEAD SEPERATION ENGINEERING LIMITED, FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**

**(i) Property, Plant & Equipment and Intangible Assets:**

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
- b) The Company has maintained proper records showing full particulars of intangible assets.
- c) Property, Plant and Equipment have been physically verified by the management at reasonable intervals; Any material discrepancies were noticed on such verification and if so, the same have been properly dealt with in the books of account.
- d) According to the information and explanation given to us the title deeds of all the immovable properties. (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) disclosed in the financial statements are held in the name of the company.
- e) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- f) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

**(ii) Inventory and working capital:**

- a) The stock of inventory has been physically verified during the year by the Management at reasonable intervals, except stock lying with third parties. Confirmations of such stocks with third parties have been obtained by the Company in most of the cases. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. Hence, reporting under clause 3 (ii) (b) of the order is not applicable.

**(iii) Investments, any guarantee or security or advances or loans given:**

a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made any investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year.

1. The Company has provided any loans or advances in the nature of loans or stood guarantee or provided security to any other entity during the year.

a. Based on audit procedure carried on by us and as per the information and explanation given to us, the company has not granted any loans to subsidiaries.

b. Based on audit procedure carried on by us and as per the information and explanation given to us, the company has granted loans to a party other than subsidiaries.

2. In our opinion, the company has not made any investments, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest;

3. In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest have generally been regular as per stipulation.

4. In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

5. No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

6. The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(6) is not applicable.

**(iv) Loan to directors:**

- a) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given and investments made.

**(v) Deposits:**

- a) The company has not accepted any deposits from the public within the meaning of sections 73 to 76 or any relevant provisions of the 2013 act and the rules framed there under to the extent notified.

**(vi) Maintenance of Cost Records:**

- a) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the products manufactured by it (and/ or services provided by it). Accordingly, clause 3(vi) of the Order is not applicable.

**(vii) Statutory Dues:**

- a) The company is regular in depositing with appropriate authorities. There is no undisputed statutory dues including Provident Fund, Employees' State Insurance, and Income Tax, Duty of Customs, GST, Cess and any other statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, customs duty, excise duty and cess were in arrears, as at 31.03.24 for a period of more than six months from the date they became payable except dues which are as follows:

- b) According to the information and explanations given to us, there are no dues of sales tax, income tax, custom duty, wealth tax, GST, excise duty and cess which have not been deposited on account of any dispute.

**(viii) Disclosure of Undisclosed Transactions:**

- a) There According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

**(ix) Loans or Other Borrowings:**

- a) Based on our audit procedures and according to the information and explanations given to us, The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c) According to the information and explanations given to us, term loans were applied for the purpose for which the loans were obtained.
- d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- 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.

**(x) Money Raised by IPOs, FPOs:**

- a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

**(xi) Fraud:**

- a) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the company or no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit an and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.

**(xii) Nidhi Company:**

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

**(xiii) Related Party Transactions:**

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

**(xiv) Internal Audit System:**

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

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

**(xv) Non-cash Transactions:**

- a) According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

**(xvi) Registration under section 45-IA of RBI Act, 1934:**

a) In our opinion, the Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

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

**(xvii) Cash losses:**

- a) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

**(xviii) Resignation of statutory auditors:**

- a) There has been resignation of the statutory auditors during the year due to casual vacancy of previous auditor and there were no issues objections or concerns raised by outgoing auditor.

**(xix) Material uncertainty on meeting liabilities**

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

**(XX) Compliance of CSR:**

- a) According to the information and explanations given to us and based on our examination of the records of the company, the company has not required to spent amount towards Corporate Social Responsibility (CSR) as per the section 135 of companies' act, 2013, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

For B.B Gusani & Associates  
Chartered Accountant  
FRN: 140785W

Sd/-

Bhargav. Gusani  
Proprietor Mem No: 120710  
DATE: 22/05/2024  
Place: Jamnagar  
UDIN: 24120710BJZWCW9738

**ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT ON THE FINANCIAL STATEMENT OF ARROWHEAD SEPERATION ENGINEERING LIMITED, FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

We have audited the internal financial controls over financial reporting of **Arrowhead Seperation Engineering Limited**, ('the Company') as of 31<sup>st</sup> March, 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

**Opinion**

We have audited the internal financial control with reference to financial statement of **Arrowhead Seperation Engineering Limited**, ('The Company') as of 31<sup>st</sup> March 2024 in conjunction with our audit of the financial statement of the company at and for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (the 'ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAL

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the

preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

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

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.

Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B.B Gusani & Associates  
Chartered Accountant  
FRN: 140785W

Sd/-

Bhargav B. Gusani  
Proprietor  
Mem No: 120710  
DATE: 22/05/2024  
Place: Jamnagar  
UDIN: 24120710BJZWCW9738

**ARROWHEAD SEPERATION ENGINEERING LIMITED**  
**CIN: U74210MH1991PLC062643**  
**Balance Sheet as at March 31, 2024**

( Amt in Rs Lakhs)

Particulars	Refer Note No.	As at March 31, 2024	As at March 31, 2023
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share Capital	3	187.13	131.33
(b) Reserves and surplus	4	1,429.63	114.74
(c) Money received against share warrants			
<b>2 Share application money pending allotment</b>		-	-
<b>3 Non-current liabilities</b>			
(a) Non-current borrowings	5	105.63	108.44
(b) Long-term provisions	6	124.68	121.76
<b>4 Current liabilities</b>			
(a) Short-term borrowings	7	73.59	704.23
(b) Trade payables	8	275.04	376.49
(c) Other current liabilities	9	225.61	397.90
(d) Short-term provisions	10	56.49	115.64
<b>TOTAL</b>		<b>2,477.80</b>	<b>2,070.53</b>
<b>II. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property Plant & equipment & Intangible assets	11	28.68	29.26
(b) Non-current investments		-	-
(c) Deferred tax assets (net)	12	2.87	2.65
(d) Long-term loans and advances	13	28.35	12.76
<b>2 Current assets</b>			
(a) Inventories	14	943.51	843.78
(b) Trade receivables	15	772.58	899.85
(c) Cash and cash equivalents	16	311.40	81.67
(d) Short-term loans and advances	17	390.40	200.56
<b>TOTAL</b>		<b>2,477.80</b>	<b>2,070.53</b>

Accounting Policies & Notes to Accounts form an integral part of Financial Statements

As per our report of even date

For and on behalf of

**B.B Gusani & Associates**

*Chartered Accountants*

FRN:140785W

For and on behalf of Board of Directors

**ARROWHEAD SEPERATION ENGINEERING LTD**

CIN: U74210MH1991PLC062643

Sd/-

Bhargav Gusani

**Proprietor**

Membership No: 120710

Date : May 22, 2024

Place : Jamnagar

UDIN : 24120710BJZWCW9738

Sd/-

Ajit Mundle

**Managing Director**

DIN: 01745577

Date : May 22, 2024

Place: Nashik

Sd/-

Jyoti Mundle

**Director**

DIN: 01744211

Date : May 22, 2024

Place: Nashik

Sd/-

Sitaram S Kavar

**Chief Financial Officer**

PAN:ADQPK1825Q

Date : May 22, 2024

Place: Nashik

Sd/-

Radhika Bhootra

**Company Secretary**

PAN: DAXPB9451C

Date : May 22, 2024

Place: Nashik



**ARROWHEAD SEPERATION ENGINEERING LIMITED**  
**CIN: U74210MH1991PLC062643**  
**Statement of Profit and Loss Account for the period 01-04-2023 to 31-03-2024**

( Amt in Rs Lakhs)

Particulars	Refer Note No.	For the period ended March 31, 2024	For the period ended March 31, 2023
<b>Revenue:</b>			
I. Revenue from operations	18	2,476.21	2,150.10
II. Other income	19	12.82	21.47
<b>III. Total Income (I + II)</b>		<b>2,489.03</b>	<b>2,171.57</b>
<b>Expenses:</b>			
IV. Cost of materials consumed	20	1,601.15	1,188.15
Changes in inventories	21	(60.40)	135.01
Employee benefits expense	22	318.13	314.16
Finance costs	23	79.42	142.96
Depreciation and amortization expense	11	2.23	3.75
Other expenses	24	271.61	203.73
Prior period Expenses	25	1.92	66.80
Total expenses		<b>2,214.07</b>	<b>2,054.57</b>
<b>V. Profit before exceptional and extraordinary items and tax (III-IV)</b>		<b>274.96</b>	<b>117.00</b>
VI. Exceptional Items		-	-
<b>VII. Profit before extraordinary items and tax (V - VI)</b>		<b>274.96</b>	<b>117.00</b>
VIII. Extraordinary Items			
<b>IX. Profit before tax (VII- VIII)</b>		<b>274.96</b>	<b>117.00</b>
X. Tax expense:			
(1) Current tax		69.43	13.91
(2) Deferred tax		(0.22)	(0.28)
(3) Short Provision of Last Year		2.15	1.00
<b>XI. Profit (Loss) for the period (XI + XIV)</b>		<b>203.59</b>	<b>102.37</b>
<b>XII Earnings per equity share:</b>			
(1) Basic	27	<b>13.45</b>	<b>7.80</b>
(2) Diluted	27	<b>13.45</b>	<b>7.80</b>

Accounting Policies & Notes to Accounts form an integral part of Financial Statements

As per our report of even date  
For and on behalf of  
**B.B Gusani & Associates**  
Chartered Accountants

For and on behalf of Board of Directors  
**ARROWHEAD SEPERATION ENGINEERING LTD**  
CIN: U74210MH1991PLC062643

Sd/-

Bhargav Gusani  
**Proprietor**  
Membership No: 120710  
Date : May 22, 2024  
Place : Jamnagar  
UDIN : 24120710BJZWCW9738

Sd/-

Ajit Mundle  
**Managing Director**  
DIN: 01745577  
Date : May 22, 2024  
Place: Nashik

Sd/-

Jyoti Mundle  
**Director**  
DIN: 01744211  
Date : May 22, 2024  
Place: Nashik

Sd/-

Sitaram S Kavar  
**Chief Financial Officer**  
PAN:ADQPK1825Q  
Date : May 22, 2024  
Place: Nashik

Sd/-

Radhika Bhootra  
**Company Secretary**  
PAN: DAXPB9451C  
Date : May 22, 2024  
Place: Nashik

**ARROWHEAD SEPERATION ENGINEERING LIMITED**  
CIN: U74210MH1991PLC062643  
Cash Flow Statement for the year ended March 31, 2024

( Amt in Rs Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Cash flow from Operating Activities</b>		
Profit Before Tax	274.96	117.00
Adjustments:		
Depreciation & Amortisations	2.23	3.75
Interest income	(4.41)	(2.41)
Finance cost	79.42	142.96
Change in gratuity provision	2.93	1.71
<b>Adjustment for changes in working capital</b>		
Trade Receivables	127.28	(255.17)
Inventories	(99.73)	89.71
Short term loans & Advances	(189.85)	(70.61)
Trade Payables	(101.46)	89.72
Other Liabilities	(172.29)	(108.73)
Provisions	(59.15)	40.38
Adjustments for change in other assets & liabilities		
Long-term loans and advances	(15.59)	23.89
Less: Tax paid	(71.58)	(14.91)
<b>Net Cash From Operating Activities (A)</b>	<b>(227.25)</b>	<b>57.28</b>
<b>Cash flow from Investing Activities</b>		
Proceeds from sale/purchase of Fixed Assets	(1.65)	-
<b>Net Cash From Investing Activities (B)</b>	<b>(1.65)</b>	<b>-</b>
<b>Cash flow from Financing Activities</b>		
Payment of Long Term Borrowing	(2.81)	(4.87)
Repayment of Short Term Borrowing	(630.63)	118.08
Proceeds from issue of shares through IPO	1,167.10	-
Finance cost	(79.42)	(142.96)
Interest income	4.41	2.41
<b>Net Cash From Financing Activities - (C)</b>	<b>458.64</b>	<b>(27.33)</b>
<b>Net Increase/ (Decrease) in Cash &amp; Cash equivalents (A+B+C)</b>	<b>229.73</b>	<b>29.95</b>
<b>Cash &amp; Cash equivalent at beginning of the year (D)</b>	<b>81.67</b>	<b>51.72</b>
<b>Cash &amp; Cash equivalent at end of the year ( A+B+C+D)</b>	<b>311.40</b>	<b>81.67</b>

As per our report of even date  
For and on behalf of  
**B.B Gusani & Associates**  
Chartered Accountants

Sd/-

Bhargav Gusani  
**Proprietor**  
Membership No: 120710  
Date : May 22, 2024  
Place : Jamnagar  
UDIN : 24120710BJZWCW9738

For and on behalf of Board of Directors  
**ARROWHEAD SEPERATION ENGINEERING LTD**  
CIN: U74210MH1991PLC062643

Sd/-

Ajit Mundle  
**Managing Director**  
DIN: 01745577  
Date : May 22, 2024  
Place: Nashik

Sd/-

Sitaram S Kavar  
**Chief Financial Officer**  
PAN:ADQPK1825Q  
Date : May 22, 2024  
Place: Nashik

Sd/-

Jyoti Mundle  
**Director**  
DIN: 01744211  
Date : May 22, 2024  
Place: Nashik

Sd/-

Radhika Bhootra  
**Company Secretary**  
PAN: DAXPB9451C  
Date : May 22, 2024  
Place: Nashik

**1 Company information**

Arrowhead Seperation Engineering Ltd. Company incorporated on July 25th, 1991, having its registered office at Survey No-39, Mundhegaon Tal Iyatpuri Nasik, Maharashtra. Managing Director and Whole-time Directors of the company are Mr. Ajit Shankar Mundle & Mrs Jyoti Vijay Mundle. The primary objective for the formation of the Company is to carry on the business of designing, manufacturing, erection, commissioning trading and consultancy of chemical and process equipment by means of technology available indigenously or otherwise.

**2 Summary of significant accounting policy**

**a) Basis of preparation of financial statements**

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles (Indian GAAP), including Accounting Standards notified under the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies not specifically referred, are consistently applied from the past accounting periods.

**b) Use of estimates**

The preparation of financial statements in conformity with the Generally Accepted Accounting Policies requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosures of contingent assets and liabilities. The estimates and assumptions used in the accompanying financial statements are based upon managements' evaluation of the relevant facts and circumstances as on the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any differences of actual results to such estimates are recognized in the period in which the results are known/ materialized.

**c) Revenue recognition**

Having regard to size, nature and complexity of business and practices followed by others in the same line and level of business, the management is of opinion that Company is applying accrual basis of accounting for recognition of income and expenditure earned or incurred respectively, in the normal course of business.

**d) Inventories**

Inventory consists of Raw material, store and spares and Finished goods is valued at cost. Cost of inventories comprises of all cost of purchases and other costs incurred in bringing the inventory to their present location and condition. Cost is assigned on First-In-First-Out (FIFO) basis. Obsolete, defective and unserviceable stocks are provided for, wherever required.

**e) Taxes on income**

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred tax is provided on timing differences between taxable income and accounting income subject to consideration of prudence. Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the balance sheet date.

**f) Provisions**

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resource embodying economic benefits will be require to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at the end of each reporting date and adjusted to reflect the current best estimates.

**g) Earnings per Share**

Basic Earnings per Share is computed by dividing the net profit after tax by weighted average number of equity shares outstanding during the year. Diluted Earnings per Share is computed by dividing net profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

**h) Depreciation and Amortisation**

Depreciation is provided on 'Written Down Value Method' in accordance with the rates and other conditions laid down in Schedule- II of the Companies Act, 2013. The calculation of deprecation is made on annual basis including in case of additions or sale of property, plant & equipment during the year.

- i) **Property, plant and equipment**  
Property, plant and equipment are carried at the cost of acquisition or construction less accumulated depreciation. The cost of property, plant and equipment includes non-refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets.
- j) **Employee benefits**  
Short term benefits such as salary, bonus, leave salary and other benefits are accounted on accrual basis.  
Defined contribution plans includes company's contributions towards state plans for the employees, such as EPF, ESI etc. where contributions made towards such plans are charged to revenue as and when they become due to the company.  
Defined benefit plans includes gratuity, liability of which is provided in the books of account on the basis of actuarial valuation made at the end of year.
- k) **Cash and cash equivalents**  
Cash equivalents represent highly liquid investments with remaining maturities, at the date of purchase/investment, of three months or less. As of the balance sheet date, the Company had no such investment. Cash and cash equivalents comprise of cash in hand and balance in bank accounts.
- l) **Other operational revenue**  
Other operational revenue represent income earned from the activities incidental to the business and is recognized when the right to receive the income is established as per the terms of the contract.
- m) **Foreign Currency Transaction**  
Transaction denominated in foreign currency are recorded at the exchange rates prevailing on date of transactions Rbi reference rate is used for recording closing balance gain or loss. All exchange differences are dealt with in the statement of profit & loss.
- n) **Borrowing cost**  
As per AS 16, borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.
- o) **Income taxes**  
Tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Act, 1961), deferred tax charge or benefit (reflecting the tax effect of timing differences between accounting income and taxable income for the period) and minimum alternate tax.  
**Current tax**  
Provision for income tax is recognized based on estimated tax liability computed after adjusting for allowances, disallowances and exemptions in accordance with the Income Tax Act, 1961.  
**Deferred tax**  
The deferred tax charge or benefit and the corresponding deferred tax liabilities and assets are recognized using the tax rates that have been enacted or substantially enacted as at the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the asset can be realized in future, however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of the assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain to be realized.  
**Minimum Alternate Tax (MAT)**  
MAT credit asset is recognized where there is convincing evidence that the asset can be realized in future. MAT credit assets are reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably certain to be realized.
- p) **Segment Reporting**  
The Company operates in a single primary business segment . Hence, there are no reportable segment as per AS 17 Segment Reporting.
- q) **Provisions and contingent liabilities**  
The Company recognizes a provision when there is a present obligation arising from a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

**ARROWHEAD SEPERATION ENGINEERING LIMITED**  
CIN: U74210MH1991PLC062643

( Amt in Rs Lakhs)

**Note 3: Equity Share Capital**

Share Capital	As on 31.03.24		As on 31.03.23	
	Number	Amount in lakhs	Number	Amount in lakhs
<b>Authorised share capital</b>				
1,00,000 equity shares of Rs 100 each	100,000	100.00	100,000	100
Add: 1,00,000 equity shares of Rs 100 each	100,000	100.00	100,000	100
Sub division of share nominal value to 10	2,000,000	20.00	2,000,000	20
<b>20,00,000 equity shares of 10 each</b>	<b>2,000,000</b>	<b>2,000</b>	<b>2,000,000</b>	<b>20</b>
<b>Issued , Subscribed &amp; Paid up</b>				
80,820 equity shares of Rs 100each	80,820	80.82	80,820	81
Sub division of share nominal value to 10 (8,08,200 shares of Rs. 10 each)	808,200	80.82	808,200	81
Bonus Shares Issued	505,125	50.51	505,125	51
Share issued through Initial Public Offer (IPO)	558,000	55.80	-	-
<b>18,71,325 shares of Rs 10each</b>	<b>1,871,325</b>	<b>187.13</b>	<b>1,313,325</b>	<b>131</b>

**Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period**

Particulars	As on 31.03.24		As on 31.03.23	
	Number	Amount in lakhs	Number	Amount in lakhs
Shares outstanding at the beginning of the year	1,313,325	80.82	80,820	80.82
Shares sub divided from 100 to 10	-	-	808,200	80.82
Bonus Shares issued during the year (*)	-	-	505,125	50.51
Share issued through Initial Public Offer (IPO)	5 58 000	55.80	-	-
<b>Shares Outstanding at the end of the period</b>	<b>1,871,325</b>	<b>136.62</b>	<b>1,313,325</b>	<b>131.33</b>

**Shares in the company held by each shareholder holding more than 5 percent shares**

Name of Shareholder	As on 31.03.24		As on 31.03.23	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr Ajit Mundle	188,175	10.06%	188,175	14.33%
Mrs Anjani Ajit Mundle	232,375	12.42%	232,375	17.69%
Mrs Jyoti Mundle	219,863	11.75%	219,863	16.74%
Mr Shreenath Chaturvedi	124,670	6.66%	124,670	9.49%
Bhavna Vassa	124,670	6.66%	124,670	9.49%
Amoolya Harshad Vassa	113,750	6.08%	113,750	8.66%
Anupam Harshad Vassa	108,322	5.79%	108,322	8.25%
Mrs Meloni Shripal Saha	87,750	4.69%	87,750	6.68%
<b>Total</b>	<b>1,199,575</b>	<b>64.10%</b>	<b>1,199,575</b>	<b>91.34%</b>

**Details of Shareholding of Promoters:**

Name of Promoters	As on 31.03.24		As on 31.03.23	
	No of Shares	% of total Shares	No of Shares	% of total Shares
Mr Ajit Mundle	188,175	10.06%	188,175	14.33%
Mrs Anjani Ajit Mundle	232,375	12.42%	232,375	17.69%
Mrs Jyoti Mundle	219,863	11.75%	219,863	16.74%
	<b>640,413</b>	<b>34.22%</b>	<b>640,413</b>	<b>48.76%</b>

- a) On 22nd November 2023, the Company has issued and allotted 5,58,000 equity shares having face value of Rs. 10 each by way of Initial Public Offer.
- b) In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held at the time of commencement of winding-up.
- c) The Shareholders have all other rights as available to equity shareholders as per the provisions of The Companies Act, 2013, read together with the Memorandum of Association and Articles of Association of the Company, as applicable.
- d) The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. Equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder are in proportion to its share of the paid-up equity capital of the Company.
- e) No dividend is declared by the Company during the year ended on March 31, 2024 and March 31, 2023.

## Note 4: Reserves and Surplus

( Amt in Rs.Lakhs)

Particulars	As on 31.03.24	As on 31.03.23
<b>Retained Earnings</b>		
Opening balance	95.54	43.68
Profit during the year	203.59	102.37
Less: Bonus Shares Issued	-	50.51
<b>Closing balance (A)</b>	<b>299.14</b>	<b>95.54</b>
<b>General reserves</b>		
Opening balance	19.19	19.56
Depreciation adjusted as per Co Act, 2013	-	(0.37)
<b>Closing balance (B)</b>	<b>19.19</b>	<b>19.19</b>
<b>Securities Premium Account</b>		
Opening balance	-	-
During the year on issue of shares	1,111.30	-
<b>Closing balance (C)</b>	<b>1,111.30</b>	
<b>Total(A+B+C)</b>	<b>1,429.63</b>	<b>114.74</b>

## Note 5

## Non-Current Borrowings

Particulars	As on 31.03.24	As on 31.03.23
<i>(Secured Loans)</i>		
Yes Bank- Car Loan	-	2.20
Term Loan against property	108.20	123.57
Less: Current Maturities	12.97	27.72
	<b>95.23</b>	<b>98.04</b>
<i>(Unsecured Loans)</i>		
Loan from Directors	10.40	10.40
[These loans are interest free and repayable on demand ]	<b>10.40</b>	<b>10.40</b>
<b>Total</b>	<b>105.63</b>	<b>108.44</b>

Term loans : Exclusive first charge by way of equitable or registered mortgage of the property situated at W-164 , Ttc Industrial Area, Village Pawne, Thane Belapur Road, Navi Mumbai, Thane-400705, Maharashtra.

## Note 6

## Long-term Provisions

Particulars	As on 31.03.24	As on 31.03.23
Gratuity (Unfunded)	125	121.76
<b>Total</b>	<b>124.68</b>	<b>121.76</b>

## Note 7

## Short Term Borrowings

Particulars	As on 31.03.24	As on 31.03.23
<i>Secured</i>		
Current Maturities of Long-term borrowings	12.97	27.72
Borrowings from Financial Institutons	-	495.22
<b>Total</b>	<b>12.97</b>	<b>522.94</b>
<i>Unsecured</i>		
Loan from Related Parties	45.00	45.00
Loan from NBFC's	15.62	136.29
<b>Total</b>	<b>60.62</b>	<b>181.29</b>
<b>Total</b>	<b>73.59</b>	<b>704.23</b>

Loan from related parties is payable on demand and is interest free.

Our Company has availed unsecured loan from NBFC's aggregating to Rs 1,561.85 lakhs with and interest charge of 17% being repaid on EMI Basis month on month.

**Note 8****Trade Payables**

Particulars	As on 31.03.24	As on 31.03.23
Total outstanding dues of MSME creditors	176.96	273.15
Other creditors	98.07	103.35
<b>Total</b>	<b>275.04</b>	<b>376.49</b>

**Ageing for Trade Payables**

	As on 31.03.24	As on 31.03.23
<i>MSME Creditors</i>		
Less than 1 year	161.78	253.85
1-2 years	3.30	14.98
2-3 years	10.21	2.01
More than 3 years	1.67	2.30
<i>Creditors other than MSME</i>		
Less than 1 year	67.98	65.70
1-2 years	8.32	12.16
2-3 years	0.71	1.26
More than 3 years	21.07	24.23

**Note 9****Other Current Liabilities**

Particulars	As on 31.03.24	As on 31.03.23
Statutory Remittances	110.10	108.92
Advance from customers	113.85	288.97
Other expenses payable	1.66	-
<b>Total</b>	<b>225.61</b>	<b>397.90</b>

**Note 10****Short Term Provisions**

Particulars	As on 31.03.24	As on 31.03.23
Provision for employee benefits	56.49	115.64
<b>Total</b>	<b>56.49</b>	<b>115.64</b>

**Note 12****Deferred Tax liabilities/ Assets**

Particulars	As on 31.03.24	As on 31.03.23
Opening balance	2.65	2.36
Addition during the year	0.22	0.28
<b>Total</b>	<b>2.87</b>	<b>2.65</b>

**Note 13****Long term Loans & Advances**

Particulars	As on 31.03.24	As on 31.03.23
a) Security Deposits	16.97	3.75
b) Loans and Advances to employees	11.38	9.02
<b>Total</b>	<b>28.35</b>	<b>12.76</b>

**Note 14****Inventories**

Particulars	As on 31.03.24	As on 31.03.23
a. Raw Materials and components	163.41	124.08
b. Work-in-progress	780.10	719.70
<b>Total</b>	<b>943.51</b>	<b>843.78</b>

**Note 15****Trade Receivables**

Particulars	As on 31.03.24	As on 31.03.23
Unsecured, considered good	772.58	899.85
<b>Total</b>	<b>772.58</b>	<b>899.85</b>

## Ageing for Trade Receivables

<i>Unsecured Considered good</i>	As on 31.03.24	As on 31.03.23
Less than 6 months	405.38	334.47
6 months to 1 year	47.62	36.87
1-2 years	89.27	97.94
2-3 years	49.22	10.19
More than 3 years	181.11	420.39

**Note 16****Cash and cash equivalents**

Particulars	As on 31.03.24	As on 31.03.23
Balances with banks :		
- Current accounts	57.32	1.81
-Deposit Account (More than 12m maturity)	249.07	73.34
Cash in hand	5.01	6.52
<b>Total</b>	<b>311.40</b>	<b>81.67</b>

**Note 17****Short-term loans and advances**

Particulars	As on 31.03.24	As on 31.03.23
<u>(Unsecured . Considered Good)</u>		
Balance with government Authorities	66.53	72.99
Advance to supplier for material	323.87	125.32
Prepaid Insurance	-	1.10
MAT tax credit (AY22-23)	-	1.15
<b>Total</b>	<b>390.40</b>	<b>200.56</b>



**1 Deferred Tax Liability Working**

( Amt in Rs.Lakhs)

Particulars	As on March 31, 2024	As on March 31, 2023
A) <u>Depreciation</u>		
Depreciation as per Co Act	2.23	3.75
Depreciation as per IT Act	1.35	2.63
Diff in Depreciation	0.89	1.12
Rate Used	25.17%	25.17%
Deferred Tax for Current Year	0.22	0.28
Opening Balance of Deffered Tax Liability	2.65	2.36
<b>To be provided this year</b>	<b>0.22</b>	<b>0.28</b>
Closing Balance of Deffered Tax Liability(A)	2.87	2.65
B) <u>Professional Tax &amp; Service Tax</u>		
Opening Balance of Deffered Tax Liability		0.91
<b>Provision for Current Year</b>		-
Closing Balance of Deffered Tax Liability(B)		0.91
<b>Net Closing Liability (A+B)</b>		<b>3.56</b>

**2 Borrowings from Financial Institution**

Particulars	As on March 31, 2024	As on March 31, 2023
Cash Credit-IDBI Bank Ltd		406.32
GECL Loan A/c for IDBI	0	61.69
Covid 19( Additional 20% Finance from IDBI)	0	27.20
<b>Total</b>	<b>-</b>	<b>495.22</b>

**Loan from Related Parties & NBFC's**

Particulars	As on March 31, 2024	As on March 31, 2023
<u>Unsecured</u>		
Transfer System	45.00	45.00
<u>Loan from NBFC's</u>		
Bajaj Finance Ltd	15.62	23.52
Fillerton India Credit Company	-	7.20
Abans Finance Pvt Ltd	-	100.00
Richbond Capital Private Limited	-	5.56
	15.62	136.29
<b>Total</b>	<b>60.62</b>	<b>181.29</b>

**ARROWHEAD SEPERATION ENGINEERING LIMITED**

**Note 11**

**Property Plant & Equipments**

(Amt in Rs.Lakhs)

Particulars	Gross Block				Accumulated Depreciation			Net Block	
	As on 01.04.2023	Additions	Transfer to Reserves	As on 31.03.24	As on 01.04.2023	Additions	As on 31.03.24	As on 31.03.24	As on 31.03.23
<b>A) Tangible Assets</b>								-	
Land	6.65	-	-	6.65				6.65	6.65
Factory Building	79.86	-	-	79.86	62.38	0.85	63.23	16.63	17.48
Plant and machinery	80.68	-	-	80.68	78.41	0.41	78.82	1.85	2.26
Furniture and fixtures	9.25		-	9.25	9.03	0.06	9.09	0.16	0.22
Office equipments	23.01	-	-	23.01	23.01	-	23.01	-	-
Computer	14.45	1.65	-	16.10	14.45	0.09	14.54	1.56	-
Vehicles	13.03	-	-	13.03	10.38	0.83	11.21	1.82	2.65
<b>B) Intangible Assets</b>									
Software	30.17	-	-	30.17	30.17	-	30.17	-	-
<b>TOTAL</b>	<b>257.08</b>	<b>1.65</b>	<b>-</b>	<b>258.74</b>	<b>227.82</b>	<b>2.23</b>	<b>230.06</b>	<b>28.68</b>	<b>29.26</b>
<b>Previous Year</b>	<b>257.45</b>	<b>-</b>	<b>0.37</b>	<b>257.08</b>	<b>224.07</b>	<b>3.75</b>	<b>227.82</b>	<b>29.26</b>	<b>33.38</b>

**Note 18****Revenue from operations**

Particulars	For the period ended March 31, 2024	For the period ended March 31, 2023
Sale of products		
Local Sales	1,800.96	947.10
Export Sales	646.78	1,191.59
Sale of services	28.46	11.42
<b>Total</b>	<b>2,476.21</b>	<b>2,150.10</b>

**Note 19****Other income**

Particulars	For the period ended March 31, 2024	For the period ended March 31, 2023
Interest Income	4.41	2.41
Foreign Exchange gain	0.01	0.51
Duty Drawback Scheme Refund	8.40	18.54
<b>Total</b>	<b>12.82</b>	<b>21.47</b>

**Note 20****Cost of materials consumed**

Particulars	For the period ended March 31, 2024	For the period ended March 31, 2023
Opening Stock :-	124.08	78.78
Add :- Purchases	1,384.90	986.83
Less :- Closing Stock	163.41	124.08
<b>Total</b>	<b>1,345.57</b>	<b>941.53</b>
<b>Other manufacturing expenses</b>		
Power and Fuel	19.03	16.55
Sub contracting charges	196.45	189.51
Repair & Maintenance-Machinery	6.11	15.90
Freight and forwarding	32.09	14.55
Testing Charges	1.90	10.11
<b>Total Direct Expenses</b>	<b>255.59</b>	<b>246.62</b>
<b>Total</b>	<b>1,601.15</b>	<b>1,188.15</b>

**Note 21****Changes in inventories**

Particulars	For the period ended March 31, 2024	For the period ended March 31, 2023
<b>Opening Stock :</b>		
Work-in-Process	719.70	854.71
<b>Closing Stock :</b>		
Work-in-Process	780.10	719.70
<b>Total</b>	<b>(60.40)</b>	<b>135.01</b>

**Note 22****Employee Benefits Expense**

Particulars	For the period ended March 31, 2024	For the period ended March 31, 2023
Salaries and Wages	249.75	251.26
Director Remuneration	21.57	20.33
Gratuity Expenses	11.64	7.48
Contribution to Provident Fund	14.16	11.80
Contribution to ESIC	0.36	0.88
Bonus	14.51	19.79
Staff and Labour welfare expense(incl insurance)	6.16	2.63
<b>Total</b>	<b>318.13</b>	<b>314.16</b>

**Note 23****Finance costs**

Particulars	For the period ended March 31, 2024	For the period ended March 31, 2023
Bank Interest on borrowings	30.58	51.90
Interest paid to others	41.38	81.13
Loan processing fees and commissions	7.47	9.93
<b>Total</b>	<b>79.42</b>	<b>142.96</b>

**Note 24****Other Expenses**

Particulars	For the period ended March 31, 2024	For the period ended March 31, 2023
Payment to statutory auditor (Refer note below)	1.00	1.00
Legal and Professional	41.62	41.32
Bank Charges	0.13	12.08
Water	1.70	1.54
Rent	24.00	24.00
Repairs and maintenance- Others	15.49	3.62
Repairs & Maintenance- Vehicles	3.18	3.36
Hiring Charges	16.90	20.78
Insurance expense	6.15	2.33
ROC, Legal Filing fees & charges	6.85	6.26
Sales Commission	1.00	-
Communication expenses	0.95	0.76
Travelling and conveyance	20.45	15.48
Printing & stationery expense	1.70	1.48
Late fees/ Interest on Statutory Duty	10.22	0.05
Bad Debts	93.22	49.40
GST RCM	1.50	3.39
Advertising Expenses	1.77	-
Security Charges	17.58	14.47
Foreign exchange gain/loss	3.06	-
Miscellaneous expense	3.14	2.42
<b>Total</b>	<b>271.61</b>	<b>203.73</b>

Particulars	For the period ended March 31, 2024	For the period ended March 31, 2023
Payment to auditors		
Audit fees	1.00	1.00
<b>Total</b>	<b>1.00</b>	<b>1.00</b>

**Note 25****Prior period expenses**

Particulars	For the period ended March 31, 2024	For the period ended March 31, 2023
VAT/GST payment	1.92	10.10
Salaries & Wages	-	56.70
<b>Total</b>	<b>1.92</b>	<b>66.80</b>

**Note 26****Related Party Transactions**a) *Related Parties*

Name of Parties	Relations
Mr Ajit S Mundle	Managing Director
Mrs Jyoti V Mundle	Whole-time Director
Mr Sitaram Sakharam Kavar	Chief Financial Officer
Ms Radhika Bhootra	Company secretary
M/s Transfer System	Enterprises over which KMP is able to exercise significant influence.

b) *Particulars of transactions with related party*

Particulars	For the period ended March 31, 2024	For the period ended March 31, 2023
<b>Mr Ajit S Mundle</b>		
Director Remuneration	10.78	10.16
<b>Mrs Jyoti V Mundle</b>		
Director Remuneration	10.78	10.16
<b>M/S Transfer Systems</b>		
Outside Processing Charges	8,395.90	97.02
Profession & Consultancy Fees paid	1,140.00	26.30
Rent paid	24.00	24.00
Sales	-	20.50

c) *Related parties balances*

Particulars	For the period ended March 31, 2024	For the period ended March 31, 2023
<b>Outstanding Balances</b>		
Mr Ajit S Mundle	7.77	13.32
Mrs Jyoti V Mundle	2.90	6.42
M/S transfer Systems	57.31	74.55

**Note 27****Earnings per share**

Particulars	For the period ended March 31, 2024	For the period ended March 31, 2023
Profits attributable to the equity holders of the Company (in 000's)	203.59	102.37
Weighted average number of equity shares (no's)	1,513,593	1,313,325
Earnings per share (basic)	13.45	7.80
Earnings per share (diluted)	13.45	7.80
Face value per equity share (Rs.)	10.00	10.00

**Note 28****Commitments and Contingent liabilities**

Particulars	For the period ended March 31, 2024	For the period ended March 31, 2023
Bank Guarantee outstanding as on	224.70	102.60

**Note 29****Income & Expenditure in Foreign Currency**

Particulars	For the period ended March 31, 2024	For the period ended March 31, 2023
I) Expenditure in foreign currency	-	-
II) Export in F.O.B Basis	545.78	1,191.59

**Note 30****Ratio Analysis**

Ratios	March 31, 2024	March 31, 2023
Current ratio	3.83	1.27
Debt- Equity Ratio	0.11	3.30
Debt Service Coverage ratio	3.86	1.55
Return on Equity ratio	0.22	0.52
Inventory Turnover ratio	2.74	2.41
Trade Receivable Turnover Ratio	2.96	2.78
Trade Payable Turnover Ratio	4.25	2.98
Net Capital Turnover Ratio	1.39	4.98
Net Profit ratio	0.08	0.05
Return on Capital Employed	0.19	0.55
Return on Investment	0.02	0.03

Ratios	Percentage change from 2023 TO 2024	Percentage change from 2022 TO 2023
Current ratio	201.68%	5.05%
<i>Reason:</i> Decrease in current liability as the short-term borrowing were repaid during the year, leading to better ratio.		
Debt- Equity Ratio	-96.64%	-31.98%
<i>Reason:</i> Decrease in debt liability as the borrowings were repaid during the year, leading to better ratio.		
Debt Service Coverage ratio	149.81%	63.42%
<i>Reason:</i> Substantial increase in earnings for debt service as compared to interest and principal repayment of long term borrowing.		
Return on Equity ratio	-58.35%	471.38%
<i>Reason:</i> Increase in net profits , while simultaneous increase in Average Shareholder's Equity as the shares were issued during the year.		
Inventory Turnover ratio	13.81%	79.84%
<i>Reason:</i> Increase in revenue from operation as compared to average inventory.		
Trade Receivable Turnover Ratio	6.36%	65.71%
<i>Reason:</i> Increase in revenue from operation and better management of debtors.		
Trade Payable Turnover Ratio	42.87%	26.24%
<i>Reason:</i> With rise in business, more purchases are being made and at better credit terms and are paid on time, thereby maintaining average trade payables.		
Net Capital Turnover Ratio	-72.19%	39.77%
<i>Reason:</i> There is increase in working capital gap during 2023-24 as the current liabilities are paid and there is increase in current asset.		
Net Profit ratio	72.68%	309.14%
<i>Reason:</i> Better profit margins resulting in increase in net profits over the years.		
Return on Capital Employed	-64.99%	95.24%
<i>Reason:</i> With the increase in profit before interest and tax , there is simultaneous increase in capital in business.		
Return on Investment	-46.21%	-56.46%
<i>Reason:</i> Fall in return on investment is due to increase in deposit as an investment towards end of period.		

**Note 31: Other Statutory Information**

- i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company did not enter into any transactions with struck off companies during the year
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
- (iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) 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
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) 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
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vii) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (viii) Balance shown under head Sundry debtors, creditors and advances are subject to confirmation.
- (ix) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- (x) The Company has considered possible effects of ongoing pandemic Covid-19 while preparation of financial statements.
- (xi) The Company has used all borrowings from bank and financial institution for the specific purpose for which it was taken at balance sheet date.
- (xii) Previous year's figures have been regrouped / reclassified wherever necessary to correspond with current year's classification.

As per our report of even date  
For and on behalf of  
**B.B Gusani & Associates**  
Chartered Accountants  
FRN:140785W

Sd/-  
Bhargav Gusani  
**Proprietor**  
Membership No: 120710  
Date : May 22, 2024  
Place : Jammagar  
UDIN : 24120710BJZWCW9738

For and on behalf of Board of Directors  
**ARROWHEAD SEPERATION ENGINEERING LTD**  
CIN: U74210MH1991PLC062643

Sd/- Sd/-

Ajit Mundle  
**Managing Director**  
DIN: 01745577  
Date : May 22, 2024  
Place: Nashik

Jyoti Mundle  
**Director**  
DIN: 01744211  
Date : May 22, 2024  
Place: Nashik

Sd/- Sd/-

Sitaram S Kavav  
**Chief Financial Officer**  
PAN:ADQPK1825Q  
Date : May 22, 2024  
Place: Nashik

Radhika Bhootra  
**Company Secretary**  
PAN: DAXPB9451C  
Date : May 22, 2024  
Place: Nashik



**ARROWHEAD SEPARTION ENGINEERING LIMITED**

(Formerly known as Arrowhead Separation Engineering Pvt Ltd.)

**Registered Office:** Survey No 39, Village Mundhegaon, Tal Igatpuri, Nashik - 422403, Maharashtra

**Tel.:** 8422829060;

**CIN:** U74210MH1991PLC062643

**Website:** <https://www.arrowhead-dryers.com/investor-relations.html> **Email:** [compliance@arrowhead-dryers.co.in](mailto:compliance@arrowhead-dryers.co.in)

**PROXY FORM**

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

**33<sup>rd</sup> Annual General Meeting – Saturday, September 28, 2024**

Name of the Member(s)	
Registered Address:	
Email-Id:	
Folio No./Client ID:	
DP ID:	

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

1. Name.....Email:.....Address:.....  
..... Signature:\_\_\_\_\_

Or failing him/her

2. Name.....Email:.....Address:.....  
..... Signature:\_\_\_\_\_ or

Or failing him/her

3. Name.....Email:.....Address:.....  
..... Signature:\_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33<sup>rd</sup> Annual General Meeting of the Company, to be held on Saturday, September 28, 2024 at 12:30 P.M. at Registered Office of the Company at Survey No 39, Village Mundhegaon, Tal Igatpuri, Nashik - 422403, Maharashtra and at any adjournment thereof in respect such resolutions as are indicated below:



**33<sup>rd</sup> ANNUAL REPORT 2023-24**

Resolution No.	Resolution	Vote (Optional see Note 2) (Please mention no. of shares)		
		For	Against	Abstain
1	To receive, consider and adopt the Audited Financial Statements of the company for the financial year ended March 31, 2024 and the Reports of the Board of Directors and Auditors thereon.			
2	To appoint a Director in place of Mr. Ajit Mundle, (DIN: 01745577), who retires by rotation and being eligible, offers himself for re-appointment.			

Signed this..... day of.....2024

.....  
Signature of shareholder(s)

.....  
Signature of Proxy holder(s)

Please Affix  
₹.1  
Revenue  
Stamp

.....  
Signature of Proxy holder(s)

.....  
Signature of Proxy holder(s)

**Notes:**

1. This form of proxy in order to be effective should be duly completed, signed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.
2. It is optional to indicate your preference. If you leave for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.
3. The proxy need not be a member of the company. Appointing proxy does not prevent a member from attending in person if he so wishes.
4. In case of Joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.





**ARROWHEAD SEPARTION ENGINEERING LIMITED**

**(Formerly known as Arrowhead Seperation Engineering Pvt. Ltd.)**

**Registered Office:** Survey No 39, Village Mundhegaon, Tal Igatpuri, Nashik - 422403, Maharashtra

**Tel.:** 8422829060;

**CIN:** U74210MH1991PLC062643

**Website:** <https://www.arrowhead-dryers.com/investor-relations.html> **Email:** [compliance@arrowhead-dryers.co.in](mailto:compliance@arrowhead-dryers.co.in)

**ATTENDANCE SLIP**

<b>Registered Folio No./DP ID no./Client ID no.:</b>	
<b>DP ID - Client ID</b>	
<b>No. of Shares Held</b>	

I hereby record my presence at the 33<sup>rd</sup> Annual General Meeting of the Company on Saturday, September 28, 2024 at 12:30 P.M. at Survey No 39, Village Mundhegaon, Tal Igatpuri, Nashik - 422403, Maharashtra.

.....	.....
Name of the member/proxy	Signature of the member/proxy
(in BLOCK Letters)	

*Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Notice for reference to the AGM.*



**BOOK POST**

If undelivered please return to:

**Arrowhead Separation Engineering  
Limited  
(Formerly known as Arrowhead  
Separation Engineering Pvt. Ltd.)**  
Survey No 39, Village Mundhegaon, Tal  
Igatpuri, Nashik - 422403,  
Maharashtra  
**Tel No: 8422829060.**