



**MANUFACTURER OF
BULK DRUGS &
IMPORTERS OF
SOLVENTS & CHEMICALS**

H.O: 203/4 SAHAKAR BHAVAN, 340/48 N.N STREET, MUMBAI-400009 ☎ : (022) 23455543 Email: corporate@aareydrugs.com
REGD OFF. & FACTORY: E-34 MIDC, TARAPUR, BOISAR, DIST.-THANE ☎ (02525) 271049 Email: info@aareydrugs.com
CIN:L99999MH1990PLC056538

Date : 8th September, 2026

To,

BSE Limited The Manager, Corporate Service Department P.J. Towers, Dalal Street, Mumbai- 400 001 Scrip Code: 524412	National Stock Exchange of India Limited Exchange Plaza Bandra Kurla Complex, Bandra (E), Mumbai – 400051 NSE Symbol: AAREYDRUGS
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Sub: Notice and Integrated Annual Report for 36th Annual General Meeting of Company as required under Regulation 34(1)

Ref: Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulation 2015

Dear Sir/Ma'am,

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Notice of the 36th Annual General Meeting of the Company scheduled to be held on **Wednesday, 30th September, 2026 at 03:00 P.M.** through **Video Conferencing (VC) / Other Audio-Visual Means (OAVM)**, along with the Integrated Annual Report of the Company for the financial year 2025-26. The Notice and the Annual Report are being circulated to the shareholders through electronic mode today, in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

The Notice along with the Annual Report for the financial year 2025-26 is also available on the website of the Company www.aareydrugs.com

Brief details of 36th AGM

Date and Time of AGM	30th September, 2026 at 03:00 PM
Cut off date for evoting	23rd September, 2026
Evoting start date and time	27th September, 2026 at 09.00 AM
Evoting end date and time	29th September, 2026 at 05.00 PM

Kindly take the above on record and acknowledge the receipt of the same.

Thanking You,

For Aarey Drugs & Pharmaceuticals Limited

Nimit Ghatalia

**Nimit Ghatalia
Director
DIN: 07069841
Encl.: a/a**





ANNUAL REPORT 2025-26

BOARD OF DIRECTORS

Mihir Rajesh Ghatalia	Chairman & Managing Director
Nimit Rajesh Ghatalia	Executive Director
Chetan Kiritbhai Mehta	Independent Director
Lalit Radhakrishna Tulsiani	Independent Director
Anil Mandal	Independent Director
Bina Rajesh Ghatalia	Woman Director

KEY MANAGERIAL PERSONNEL

Mira Mihir Ghatalia	Chief Financial Officer
Kailash Chand Jethlia	Company Secretary & Compliance Officer

REGISTERED OFFICE

E-34, M.I.D.C., Tarapur, Boisar, Dist.Thane. Pincode – 401506

HEAD OFFICE

107, Sahakar Bhavan, 340/348, Narshi Natha Street, Narshi Natha Street, Masjid, Mumbai - 400 009

WORKS

E-34, M.I.D.C Tarapur, Boisar, Dist. Palghar. Pincode – 401506

BANKER

State Bank of India, Sakinaka Branch, Andheri (East), Mumbai

AUDITORS

Motilal & Associates LLP. 304, Orchid Plaza, S.V. Road, Borivali West Mumbai – 400092

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE 36TH (THIRTY SIXTH) ANNUAL GENERAL MEETING OF THE MEMBERS OF AAREY DRUGS & PHARMACEUTICALS LIMITED WILL BE HELD ON WEDNESDAY 30TH SEPTEMBER, 2026 AT 3:00 P.M. THROUGH VIDEO CONFERENCING ('VC')/OTHER AUDIO VISUAL MEANS ('OVAM') TO TRANSACT THE FOLLOWING BUSINESS:

The proceedings of the AGM shall be deemed to be conducted at the registered office of the Company which shall be deemed venue of AGM.

ORDINARY BUSINESS:

- 1. TO RECEIVE, CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENT OF THE COMPANY FOR THE YEAR ENDED 31ST MARCH, 2026, THE BALANCE SHEET AS ON THAT DATE AND THE REPORTS OF DIRECTORS AND AUDITORS THEREON.**

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

“RESOLVED THAT the Audited Financial Statement of the Company for the financial year ended March 31, 2026 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted.”

- 2. TO APPOINT A DIRECTOR IN PLACE OF MRS. BINA GHATALIA (DIN:01471745), WHO RETIRES BY ROTATION AND BEING ELIGIBLE, OFFERS HERSELF FOR RE-APPOINTMENT.**

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

“RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mrs. Bina Ghatalia (DIN:01471745), who retires by rotation at this meeting, be and is hereby appointed as a Director of the Company.”

SPECIAL BUSINESS:

- 3. APPROVAL OF RELATED PARTY TRANSACTIONS**

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

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), read with the Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 23(4) and other applicable provisions of the Securities and Exchange Board of India (Listing

Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time, and subject to such other approvals, consents, permissions and sanctions as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company ("Board"), including any Committee thereof, to enter into and/or continue with contracts, arrangements and/or transactions with the Related Parties of the Company, as set out below, on such terms and conditions as may be mutually agreed, provided that the aggregate value of transactions with each such Related Party shall not exceed the respective limits specified below during the financial year, notwithstanding that such transactions may be entered into in one or more tranches and are in the ordinary course of business and/or on such terms as may be considered appropriate by the Board:

Sr. No.	Name of Related Party	Relationship	Maximum Value per Financial Year	Nature of Transactions
1	Bina R Ghatalia	Director	Rs.15 Crores	Office rent; loans/advances and repayment.
2	Enam Organics India Ltd.	Company in which Directors are substantially interested	Rs.45 Crores	Loans/advances, repayment thereof and interest income
3	Mira M Ghatalia	CFO	Rs.15 Crores	Loans/advances and repayment.
4	Nimit R Ghatalia	Director	Rs.15 Crores	Loans/advances and repayment.
5	Rajesh Ghatalia	Relative of Director	Rs.15 Crores	Loans/advances and repayment.
6	Suraj Tradelinks Pvt. Ltd.	Company in which Director is interested	Rs.15 Crores	Loans/advances and repayment.
7	Nimit Impex Pvt. Ltd.	Company in which Director is interested	Rs.15 Crores	Loans/advances and repayment.
8	Worth Investment & Trading Co. Ltd.	Company in which Director is interested	Rs.30 Crores	Loans/advances, repayment thereof and interest income
9	Aarey Pharma Park Pvt. Ltd.	Company in which Director is interested	Rs.15 Crores	Loans/advances taken and repayment.
10	Mihir Ghatalia	Managing Director	Rs.15 Crores	Loans/advances and repayment.
11	Ekta Ghatalia	Relative of Director	Rs.15 Crores	Loans/advances and repayment.

RESOLVED FURTHER THAT any of the Directors or Company Secretary or Chief Financial Officer of the Company be and is hereby authorised either severally or jointly to do all such acts, deeds and things as may be deemed proper and expedient to give effect to this Resolution.”

By order of the Board of Directors

For AAREY DRUGS AND PHARMACEUTICALS LIMITED

Mihir R. Ghatalia

Chairman and Managing Director

DIN: 00581005

Date: 05-09-2026

Place: Mumbai

REGISTERED OFFICE: E-34, MIDC, BOISAR, TARAPUR, DIST. THANE

NOTES:

1. The Ministry of Corporate Affairs, Government of India ("MCA") vide General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 21/2021, 02/2022, 10/2022, 09/2023, and 09/2024 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 14, 2021, May 5, 2022, December 28, 2022, September 25, 2023, and September 19, 2024, respectively ("MCA Circulars"), has allowed the conducting of Annual General Meetings ("AGM") by companies through Video Conferencing/Other Audio-Visual Means ("VC/OAVM") facility up to September 30, 2025, in accordance with the requirements provided in paragraphs 3 and 4 of MCA General Circular No. 20/2020. The Securities and Exchange Board of India ("SEBI") also, vide its Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023, SEBI/HO/DDHS/P/CIR/2023/0164 dated October 6, 2023, and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 ("SEBI Circulars"), has provided certain relaxations from compliance with specific provisions of the SEBI Listing Regulations. In compliance with these circulars, provisions of the Act, and the SEBI Listing Regulations, the 36th AGM of the Company is being conducted through VC/ OAVM, which does not require the physical presence of members at a common venue. The deemed venue for the 36th AGM shall be the Registered Office of the Company.

2. In accordance with Secretarial Standard on General Meetings SS-2 issued by the Institute of Company Secretaries of India (ICSI) read with clarifications/Guidance on applicability of SS-2 dated April 15, 2020 issued by ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company, which shall be the deemed venue of the AGM, even though the meeting is conducted through VC/OAVM from the Corporate Office.

3. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with and there is no provision for appointment of proxy. Accordingly, the facility for appointment of proxies by the Members under section 105 of the Companies Act, 2013 is not available.

4. The Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorization etc., authorizing its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e- voting. The said Resolution/ Authorization shall be sent to the Company Secretary or authorized representative of the Company at e-mail id: investorgrievance@aareydrugs.com

5. Quorum: The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under section 103 of the Companies Act, 2013.

DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE:

7. In terms of the MCA circulars, the financial statements (including Board's report, Auditor's report and other documents required to be attached therewith) / Annual Report for the financial year 2025-2026 and AGM Notice are being sent to the shareholders whose email addresses are registered with the Company or with the depository participant/ depository. Members may note that the Notice and Annual Report 2025-26 will also be available on the Company's website.

8. As per the MCA Circulars, the Shareholders may also note that the Company would not be sending the Annual Report for the financial year 2025-26 and AGM notice by post to the shareholders whose email address is not registered with the Company or depository participants/depository. However as per SEBI Circular dated May 13, 2022, the Company shall send the physical copy of the Annual Reports to all the Shareholders who have registered their request for the same.

9. The Register of Members and the Share Transfer Books of the Company will remain closed from 24th September 2026 to 30th September 2026 (both days inclusive).

10. Mr. Virendra G Bhatt. Practicing Company Secretary (Membership No.1157/ COP No.124), has been appointed as the Scrutinizer to conduct the e-voting process and voting at the AGM through VC/OAVM process in a fair and transparent manner.

The Scrutinizer shall, immediately after conclusion of the voting at AGM, first unblock the votes cast during the AGM, thereafter unblock the votes through e-voting.

11. In case the shareholder's email Id is already registered with the Company/its Registrar & Share Transfer Agent "RTA"/Depositories, all communications from the Company shall be sent electronically including Annual Report, log in details for e- voting etc. on such registered email address. In case the shareholder has not registered his/her/their email addresses with the Company/its RTA/Depositories, the following instructions to be followed:

i. Members holding shares in physical mode and who have not registered / updated their email address with the Company are requested to register / update the same by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at MUFG Intime India Private Limited (formerly Known as Link Intime India Private Limited) at investor.helpdesk@in.mpms.mufig.com;

PROCEDURE FOR JOINING THE AGM THROUGH VIDEO CONFERENCING OR OTHER AUDIO-VISUAL MEANS ("VC/OAVM"):

14. Instructions for Shareholders/Members to attend the Annual General Meeting through InstaMeet (VC/OAVM) are as under:

a. The Members will be able to attend the Annual General Meeting through VC/OAVM provided by Link Intime by following the below mentioned process. Facility for joining the Annual General Meeting through VC/OAVM shall open 15 minutes before the time scheduled for the Annual General Meeting and will be available to the Members on first come first serve basis.

b. The Members are requested to participate on first come first served basis as participation through VC/ OAVM is limited and will be closed on expiry of 15 (fifteen) minutes from the scheduled time of the Annual General Meeting. Shareholders/Members with >2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chairpersons of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors etc. may be allowed to the meeting without restrictions of first-come-first serve basis.

c. Members can log in and join 15 (fifteen) minutes prior to the scheduled time of the meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the scheduled time. Participation is restricted up to 1,000 members only.

15. PROCESS AND MANNER FOR ATTENDING THE ANNUAL GENERAL MEETING THROUGH INSTAMEET:

In terms of Ministry of Corporate Affairs (MCA) General Circular No. 03/2025 dated 22.09.2025, the companies can continue to conduct AGMs by VC or OAVM, as per the existing procedural requirements. Till further orders, the relaxations will remain in force.

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access InstaMeet facility.

Login method for shareholders to attend the General Meeting through InstaMeet:

- a) Visit URL: <https://instameet.in.mpms.muvg.com> & click on “Login”.
- b) Select the “Company Name” and register with your following details:
- c) Select Check Box - **Demat Account No.** / **Folio No.** / **PAN**
 - Shareholders holding shares in NSDL/ CDSL demat account shall select check box - Demat Account No. and enter the 16-digit demat account number.
 - Shareholders holding shares in physical form shall select check box – Folio No. and enter the Folio Number registered with the company.
 - Shareholders shall select check box – PAN and enter 10-digit Permanent Account Number (PAN). Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided by MUFG Intime, if applicable.
 - Mobile No: Mobile No. as updated with DP is displayed automatically. Shareholders who have not updated their Mobile No with the DP shall enter the mobile no.
 - Email ID: Email Id as updated with DP is displayed automatically. Shareholders who have not updated their Email Id with the DP shall enter the Email Id.
- d) Click “Go to Meeting”
You are now registered for InstaMeet, and your attendance is marked for the meeting.

Instructions for shareholders to Speak during the General Meeting through InstaMeet:

- a) Shareholders who would like to speak during the meeting must register their request with the company at company’s registered email address.
- b) Shareholders will get confirmation on first cum first basis depending upon the provision made by the company.
- c) Shareholders will receive “speaking serial number” once they mark attendance for the meeting. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.
- d) Other shareholder who has not registered as “Speaker Shareholder” may still ask questions to the panellist via active chat-board during the meeting.

**Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.*

Instructions for Shareholders to Vote during the General Meeting through InstaMeet:

Once the electronic voting is activated during the meeting, shareholders who have not exercised their vote through the remote e-voting can cast the vote as under:

- a) On the Shareholders VC page, click on link “Cast your vote”.
- b) Enter your 16-digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMeet.
- c) Click on 'Submit'.
- d) After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
- e) Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
- f) After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note:

Shareholders/ Members, who will be present in the General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.

Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

Helpdesk:

Shareholders facing any technical issue in login may contact INSTAMEET helpdesk by sending a request at instameet@in.mpms.mufig.com or contact on: - Tel: 022 – 4918 6000 / 4918 6175.

16. THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM/EGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

i) The voting period begins on 27th September, 2026 (09.00 AM) and ends on 29th September, 2026 (05.00 PM) During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd September 2026 may cast their vote electronically. The evoting module shall be disabled by MUFG Intime for voting thereafter.

ii) Pursuant to SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

iii. Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

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

In terms of SEBI circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, 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 correctly in their demat accounts to access remote e-Voting facility.

Login method for Individual shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode with NSDL

METHOD 1 - NSDL OTP based login

- a) Visit URL: <https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp>
- b) Enter your 8 - character DP ID, 8 - digit Client Id, PAN, Verification code and generate OTP.
- c) Enter the OTP received on your registered email ID/ mobile number and click on login.
- d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.
- e) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - NSDL IDeAS facility

Shareholders registered for IDeAS facility:

- a) Visit URL: <https://eservices.nsdl.com> and click on "Beneficial Owner" icon under "IDeAS Login Section".
- b) Enter IDeAS User ID, Password, Verification code & click on "Log-in".
- c) Post successful authentication, you will be able to see e-Voting services under Value added services section. Click on "Access to e-Voting" under e-Voting services.
- d) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Shareholders not registered for IDeAS facility:

- To register, visit URL: <https://eservices.nsdl.com> and select “Register Online for IDeAS Portal” or click on <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
- Enter 8-character DP ID, 8-digit Client ID, Mobile no, Verification code & click on “Submit”.
- Enter the last 4 digits of your bank account / generate ‘OTP’
- Post successful registration, user will be provided with Login ID and password.
- Follow steps given above in points (a-d).

Shareholders/ Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.


METHOD 3 - NSDL e-voting website

- Visit URL: <https://www.evoting.nsdl.com>
- Click on the “Login” tab available under ‘Shareholder/Member’ section.
- Enter User ID (i.e., your 16-digit demat account no. held with NSDL), Password/OTP and a Verification Code as shown on the screen & click on “Login”.
- Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services. Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with CDSL

METHOD 1 - CDSL e-voting page

- Visit URL: <https://www.cdslindia.com>.
- Go to e-voting tab.
- Enter 16-digit Demat Account Number (BO ID) and PAN No. and click on “Submit”.
- System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
- Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - CDSL Easi/ Easiest facility:
Shareholders registered for Easi/ Easiest facility:

- Visit URL: <https://web.cdslindia.com/myeasitoken/Home/Login> or Visit URL: www.cdslindia.com, click on “Login” and select “My Easi New (Token)”.
- Enter existing username, Password & click on “Login”.
- Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on “MUFG InTime” or “evoting link displayed alongside

Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Shareholders not registered for Easi/ Easiest facility:

- To register, visit URL: <https://web.cdslindia.com/myeasitoken/Home/EasiRegistration> / <https://web.cdslindia.com/myeasitoken/Home/EasiestRegistration>.
- Proceed with updating the required fields for registration.
- Post successful registration, user will be provided username and password on the registered email id. Follow steps given above in points (a-c).

Individual Shareholders holding securities in demat mode with Depository Participant

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL / CDSL for e-voting facility.

- Login to DP website
- After Successful login, user shall navigate through "e-voting" option.
- Click on e-voting option, user will be redirected to NSDL / CDSL Depository website after successful authentication, wherein user can see e-voting feature.
- Post successful authentication, click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Login method for shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode.

Shareholders holding shares in physical mode / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register and vote on InstaVote as under:

STEP 1: LOGIN / SIGNUP on InstaVote

Shareholders registered for INSTAVOTE facility:

- Visit URL: <https://instavote.linkintime.co.in> & click on "Login" under 'SHARE HOLDER' tab.
- Enter details as under:

- User ID: Enter User ID
- Password: Enter existing Password
- Enter Image Verification (CAPTCHA) Code
- Click "Submit".

(Home page of e-voting will open. Follow the process given under "Steps to cast vote for Resolutions")

InstaVote USER ID	NSDL	User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g.IN123456) and 8 digit Client ID (eg.12345678).
	CDSL	User ID is 16 Digit Beneficiary ID.
	Shares held in physical form	User ID is Event No + Folio no. registered with the Company

Shareholders not registered for INSTAVOTE facility:

- Visit URL: <https://instavote.linkintime.co.in> & click on "Sign Up" under 'SHARE HOLDER' tab & register with details as under:

- User ID: Enter User ID

InstaVote USER ID	NSDL	User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g.IN123456) and 8 digit Client ID (eg.12345678).
	CDSL	User ID is 16 Digit Beneficiary ID.
	Shares held in physical form	User ID is Event No + Folio no. registered with the Company

2. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable).
3. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP/Company - in DD/MM/YYYY format)
4. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.
 - o Shareholders, holding shares in **NSDL form**, shall provide 'point 4' above.
 - o Shareholders, holding shares in **CDSL form**, shall provide 'point 3' or 'point 4' above.
 - o Shareholders, holding shares in **physical form** but have not recorded 'point 3' and 'point 4', shall provide their Folio number in 'point 4' above
5. Set the password of your choice.
(The password should contain minimum 8 characters, at least one special Character (!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
6. Enter Image Verification (CAPTCHA) Code.
7. Click "Submit" (You have now registered on InstaVote).
Post successful registration, click on "**Login**" under 'SHARE HOLDER' tab & follow steps given above in points (a-b).

STEP 2: Steps to cast vote for Resolutions through InstaVote

- A. Post successful authentication and redirection to InstaVote inbox page, you will be able to see the "Notification for e-voting".
- B. Select 'View' icon. E-voting page will appear.
- C. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
- D. After selecting the desired option i.e. Favour / Against, click on 'Submit'.
- E. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

NOTE: Shareholders may click on "Vote as per Proxy Advisor's Recommendation" option and view proxy advisor recommendations for each resolution before casting vote. "Vote as per Proxy Advisor's Recommendation" option provides access to expert insights during the e-Voting process. Shareholders may modify their vote before final submission.

Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently.

Non-Individual Body corporate shareholders shall send a scanned copy of the board resolution authorising its representative to vote, to the scrutinizer at registered email address with a copy marked to RTA at enotices@in.mpms.mufig.com and the company at registered email address.

Guidelines for Institutional shareholders ("Custodian / Corporate Body/ Mutual Fund")

STEP 1 – Custodian / Corporate Body/ Mutual Fund Registration

- A. Visit URL: <https://instavote.linkintime.co.in>
- B. Click on "Sign Up" under "Custodian / Corporate Body/ Mutual Fund"

- C. Fill up your entity details and submit the form.
- D. A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.
- E. Thereafter, Login credentials (User ID; Organisation ID; Password) is sent to Primary contact person's email ID. (You have now registered on InstaVote)

STEP 2 – Investor Mapping

- A. Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- B. Click on “Investor Mapping” tab under the Menu section
- C. Map the Investor with the following details:
 - 1) ‘Investor ID’ – Investor ID for NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678; Investor ID for CDSL demat account is 16 Digit Beneficiary ID.
 - 2) ‘Investor’s Name - Enter Investor’s Name as updated with DP.
 - 3) ‘Investor PAN’ - Enter your 10-digit PAN.
 - 4) ‘Power of Attorney’ - Attach Board resolution or Power of Attorney.

NOTE: File Name for the Board resolution/ Power of Attorney shall be – DP ID and Client ID or 16 Digit Beneficiary ID.

Further, Custodians and Mutual Funds shall also upload specimen signatures.

- D. Click on Submit button. (The investor is now mapped with the Custodian / Corporate Body/ Mutual Fund Entity). The same can be viewed under the “Report section”.

STEP 3 – Steps to cast vote for Resolutions through InstaVote

The corporate shareholder can vote by two methods, during the remote e-voting period.

METHOD 1 - VOTES ENTRY

- a) Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- b) Click on “Votes Entry” tab under the Menu section.
- c) Enter the “Event No.” for which you want to cast vote.
Event No. can be viewed on the home page of InstaVote under “On-going Events”.
- d) Enter “16-digit Demat Account No.”.
- e) Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link). After selecting the desired option i.e. Favour / Against, click on ‘Submit’.
- f) A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.
(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

METHOD 2 - VOTES UPLOAD

- Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- After successful login, you will see "Notification for e-voting".
- Select "View" icon for "Company's Name / Event number".
- E-voting page will appear.
- Download sample vote file from "Download Sample Vote File" tab.
- Cast your vote by selecting your desired option 'Favour / Against' in the sample vote file and upload the same under "Upload Vote File" option.
- Click on 'Submit'. 'Data uploaded successfully' message will be displayed.
(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

NOTE: **Non-Individual Body corporate shareholders** shall send a scanned copy of the board resolution authorising its representative to vote, to the scrutinizer at registered_email_address with a copy marked to RTA at enotices@in.mpms.muvg.com and the company at registered_email_address.

HELPPDESK:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode facing any technical issue in login may contact INSTAVOTE helpdesk by sending a request at enotices@in.mpms.muvg.com or contact on: - Tel: 022 – 4918 6000.

Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk 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 request at evoting@nsdl.co.in or call at: 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Forgot Password:

Individual Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on: <https://instavote.linkintime.co.in>

- Click on “**Login**” under ‘SHARE HOLDER’ tab.
- Further Click on “**forgot password?**”
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA).
- Click on “SUBMIT”.

InstaVote USER ID	NSDL	User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g. IN123456) and 8 digit Client ID (eg. 12345678).
	CDSL	User ID is 16 Digit Beneficiary ID.
	Shares held in physical form	User ID is Event No + Folio no. registered with the Company

In case Custodian / Corporate Body/ Mutual Fund has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on: <https://instavote.linkintime.co.in>

- Click on ‘Login’ under “Custodian / Corporate Body/ Mutual Fund” tab
- Further Click on “**forgot password?**”
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA).
- Click on “SUBMIT”.

In case shareholders have a valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI etc. The password should contain a minimum of 8 characters, at least one special character (!#\$%&), at least one numeral, at least one alphabet and at least one capital letter.*

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both, then the Shareholders are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.

General Instructions - Shareholders

- ❖ It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ❖ For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- ❖ During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013

As required by Section 102 of the Companies Act, 2013 (the Act), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item number 3.

Item No. 3**APPROVAL OF RELATED PARTY TRANSACTIONS**

The provisions of Section 188 of the Companies Act, 2013 ("Act") and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") govern the transactions entered into by the Company with its Related Parties.

The Company, in the ordinary course of its business, proposes to enter into and/or continue certain transactions with its Related Parties, including transactions relating to office rent, loans/advances, repayment thereof, interest income and other related arrangements, as detailed in the Resolution.

The Audit Committee has reviewed and approved the proposed Related Party Transactions and recommended the same to the Board of Directors for approval of the Members, wherever required.

The transactions proposed to be entered into with the Related Parties are expected to be in the ordinary course of business and on such terms and conditions as may be mutually agreed between the Company and the respective Related Parties.

The particulars of the proposed transactions, as required under the applicable provisions of the Act and the Listing Regulations, are set out below:

a. Name of the Related Party: As specified in the Resolution.

b. Name of the Director or Key Managerial Personnel who is related: As specified against each Related Party in the Resolution.

c. Nature of relationship: As specified in the Resolution.

d. Nature, material terms and particulars of the contract or arrangement: Office rent, loans/advances, repayment thereof, interest income and loans/advances taken, as applicable to the respective Related Party.

e. Material terms including the value, if any: The aggregate value of transactions with each Related Party shall not exceed the respective maximum value per financial year specified in the Resolution.

f. Any other relevant or important information: The transactions shall be undertaken on such terms and conditions as may be mutually agreed and in accordance with the applicable provisions of the Act and the Listing Regulations.

Accordingly, approval of the Members is sought for entering into and/or continuing with the aforesaid Related Party Transactions within the limits specified in the Resolution.

Except for the Related Parties and their respective relatives, to the extent applicable, none of the Directors, Key Managerial Personnel of the Company or their respective relatives is concerned or interested, financially or otherwise, in the Resolution.

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

Annexure -1

Disclosure required pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 of ICSI

Name of the Directors	MRS. BINA GHATALIA
Director Identification Number	01471745
Date of Birth & Age	07/01/1961
Date of First Appointment	09/10/2023
Status	Non Executive Non Independent Director
Qualification	B.COM
Terms and Conditions of Appointment/Re-appointment	Re-appointment on retiring by rotation.
Directorship of Other Companies	NIL
Chairman/Member in the Committees of the Boards of Companies	<u>NIL</u>
Shareholding (No. of Shares)	40,03,584
Disclosure of relationships between Directors inter se	Mother of Mr. Nimit Ghatalia and Mihir Ghatalia

By order of the Board of Directors
For AAREY DRUGS AND PHARMACEUTICALS LIMITED

Mihir R. Ghatalia
Chairman and Managing Director
DIN: 00581005

Date: 05-09-2026
Place: Mumbai

REGISTERED OFFICE: E-34, MIDC, BOISAR, TARAPUR, DIST. THANE

DIRECTORS REPORT

To,

The Shareholders,

Your Directors have pleasure in presenting the Thirty Sixth Annual Report together with Audited Accounts for the year ended 31st March, 2026.

FINANCIAL RESULTS:

Particular	31 st March, 2026	31 st March, 2025
Income	4,78,36,61,282.79	4,83,75,56,668.93
Expense	4,72,95,19,231.94	4,77,65,37,996.57
(Loss)/ Profit Before Exceptional Item & Tax	5,41,42,050.85	6,10,18,672.36
Profit Before Tax	5,41,42,050.85	6,10,18,672.36
(Less)/ Add: Tax Expenses	1,44,66,451.12	2,07,79,932.47
Balance Carried To Balance Sheet	3,96,75,599.73	4,02,38,739.89

REVIEW OF OPERATIONS & FUTURE OUTLOOK

Our company is manufacturing the following intermediates- Mono Methyl Urea, Die Methyl Urea. Ortho Para Nitro Anisole, 2 Bromomethyl 1,3 Dioxalane & Uracile & in Active Pharma Ingredients the company is involved in manufacturing Metformin HCL, Mefenamic Acid & Doxophylline. Besides we intend to increase capacity of all the products based upon the demand of the product and also plans to do backward & forward integration of products such as DMA-HCL, Ortho chloro benzoic acid and further API's like theophylline. Necessary steps has been initiated.

DIVIDEND

Your directors do not recommend any dividend for the year ended 31st March, 2026.

DEPOSITS

The Company has not accepted the deposits from the public as per the Section in accordance with the provisions of Section 73 and 76, and other applicable provisions of Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

TRANSFER TO RESERVE:

Your Company has transferred Rs. 3,96,75,599.73 to the General Reserves during the year under review.

CHANGES IN SHARE CAPITAL, IF ANY:

The Share Capital of the Company is 2,84,54,303 shares.

Issued Capital of the company is 28454303 Equity Shares out of which 100000 Equity Shares are yet to be listed.

SUBSIDIARY / HOLDING COMPANY, ETC.:

The Company does not have any Subsidiary, Holding Company, Associate or Group Venture Company.

VIGIL MECHANISM

Pursuant to the requirements laid down under Section 177 of the Companies Act, 2013 and Regulation 22 of the SEBI Listing Regulations, the Company has well laid down Vigil Mechanism. The details of the same are provided in the Report on Corporate Governance forming part of this Annual Report. During the year, the Company did not receive any complaint under Vigil mechanism.

CORPORATE SOCIAL RESPONSIBILITY

The details of the initiatives taken by the Company as per the provisions of Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014, as amended are given in **Annexure C**, which forms part of this Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on 31st March 2026, the Board consists of six members, two of whom are Executive Directors and 3 are Non-Executive Independent Directors and one is Non-Executive Non Independent Director.

Pursuant to the provisions of Section 203 of the Act, Mr. Mihir R Ghatalia, Managing Director, Mrs. Mira Ghatalia, Chief Financial Officer and Mr. Kailash Chand Jethlia, Company Secretary are the Key Managerial Personnel of the Company as on the date of this Report.

INTER-SE RELATIONSHIP BETWEEN DIRECTORS:

Mr. Mihir R Ghatalia, Managing Director and Mr. Nimit R Ghatalia, Director are relatives (siblings). Apart from this none of the Directors of the Company are in any way related to each other.

DIRECTORS RESPONSIBILITY STATEMENT

As referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, the Directors hereby confirm:

- a) That in preparation of the Annual Accounts for the year ended 31st March, 2026, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b) That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give true and fairview of the state of affairs of the company at the end of financial year ended 31st March, 2026 and the profit/ (Loss) of the Company for the year under review;
- c) That proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) That the annual accounts for the year ended 31st March, 2026 have been prepared on a “going concern basis”
- e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) They devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ANNUAL RETURN

Annual Return as provided under Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, is available on the website of the Company at <http://www.aareydrugs.com/pdf/annual-return/MGT-7.pdf>

AUDITORS

M/s. Motilal & Associates, Chartered Accountants (Firm Registration No: 106584W) were re-appointed as Statutory Auditors of the Company at the 35th Annual General Meeting held on 29th September, 2025 for a 2nd term of five consecutive years from the conclusion of 35th Annual General Meeting till the conclusion of the 40th Annual General Meeting (AGM) of the Company to be held in the calendar year 2030.

SECRETARIAL AUDIT REPORT

The Secretarial Audit Report pursuant to the provisions of Section 204 for the financial year 2025-26 was obtained from M/s. Ashika Shetty, Practicing Company Secretaries, the report which is Self-Explanatory is annexed hereto as **Annexure A**.

MEETINGS

During the financial year 2025-26, 6 (Six) meetings of the Board of Directors and 4 (Four) meetings of the Audit Committee were held. Details of these meetings and other Committees of the Board/General Meeting are given in the Report on Corporate Governance forming part of this Annual Report.

DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTOR

All the Independent Directors of the Company have furnished a declaration to the effect that they meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) and Regulation 25 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations'). In the opinion of the Board, all the Independent Directors possess the integrity, expertise and experience including the proficiency required to be Independent Directors of the Company, fulfill the conditions of independence as specified in the Act and the Listing Regulations and are independent of the management and have also complied with the Code for Independent Directors as prescribed in Schedule IV of the Companies Act, 2013

PERFORMANCE EVALUATION AND ITS CRITERIA:

The Board of Directors carried out an evaluation of its own performance, of the Board, Committees and of the individual Directors pursuant to the provisions of the Act and Corporate Governance requirements as prescribed by the Listing Regulations.

The performance of the Board and its Committees was evaluated by the Board after seeking inputs from the Board / Committee Members based on criteria such as composition of the Board / Committees and structure, effectiveness of the Board / Committee processes, providing of information and functioning etc. The Board and the Nomination and Remuneration Committee reviewed the performance of individual Directors based on criteria such as attendance in Board / Committee meetings, contribution in the meetings like preparedness on issues to be discussed etc.

The Independent Directors at its separate meeting held on 11th February, 2026 reviewed the performance of Non-Independent Directors and performance of the Board as a whole, performance of the Chairman of the Company taking into account the views of Executive and Non-executive Directors and assessed the quality, quantity and timeliness of flow of information to the Board to perform their duties effectively and reasonably

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

The details of Loans given, Guarantees given and Investments made, if any and covered under the provisions of Section 186 of the Act, read with Companies (Meetings of Board and Its Powers) Rules, 2014 are given in the notes to the Financial Statements forming part of this Annual Report.

COMMITTEES OF THE BOARD

The details of the powers, functions, composition and meetings of the Committees of the Board held during the year are given in the Report on Corporate Governance section forming part of this Annual Report.

AUDIT COMMITTEE

The details pertaining to the composition, terms of reference, etc. of the Audit Committee of the Board of Directors of the Company and the meetings thereof held during the financial year are given in the Report on Corporate Governance section forming part of this Annual Report. The recommendations of the Audit Committee were accepted by the Board of Directors of the Company from time to time.

CORPORATE GOVERNANCE

A separate report on Corporate Governance is produced as a part of the Annual Report along with the Auditors statement on its compliance.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO:

Your Company has made the necessary disclosures in this Report in terms of Section 134(3) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is given in **Annexure B** and forms part of this report.

INTERNAL FINANCIAL CONTROL SYSTEM

The Board is responsible for establishing and maintaining adequate internal financial control as per Section 134 of the Act.

Your Company has in place an adequate system of internal controls to ensure compliance with various policies, practices and statutes. It has procedures covering all financial and operating functions and processes. These have been designed to provide a reasonable assurance with regards to maintaining of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations, protecting assets from unauthorized use or losses and compliance with regulations. Key controls have been tested during the year and corrective and preventive actions are taken for any weakness.

CHANGE IN THE NATURE OF BUSINESS (IF ANY):

There is no material change in the type of business the Company is carrying.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS (IF ANY):

The Directors of your Company confirm that no frauds or instances of mis-management were reported by the Statutory Auditors under sub-section (12) of Section 143 of the Companies Act, 2013.

COMPLIANCE WITH SECRETARIAL STANDARDS:

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

MATERIAL CHANGES AND COMMITMENT:

Except as disclosed elsewhere in the Report, there have been no material changes and commitment affecting, the financial position of your Company, which have occurred between the end of the financial year of the Company and the date of this Report.

SIGNIFICANT AND MATERIAL ORDERS:

No significant and material order has been passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

PARTICULARS OF RELATED PARTY TRANSACTIONS:

All transactions entered into with related parties during the financial year were in the ordinary course of business and on arm's length basis and do not attract the provisions of Section 188(1) of the Act. Suitable disclosures as required by the Indian Accounting Standards (IndAS-24) have been made in the notes to the Financial Statements. The Board has a policy for related party transactions which has been uploaded on the Company's website: <http://www.aareydrugs.com/pdf/2-Related-Party-Transaction.pdf>

There were no material Related Party Transactions during the year. Accordingly, Form No. AOC-2, prescribed under the provisions of Section 134 (3)(h) of the Act and Rule 8 of the Companies (Accounts) Rules, 2014, for disclosure of details of Related Party Transactions, which are not "not at arm's length basis" and also which are "material and arm's length basis", is not provided as an annexure to this Report as it is not applicable.

PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN:

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 and Redressal) Act, 2013.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary and trainees) are covered under this policy who are also provided training about the Act.

During the year under review, no complaint was received.

POLICIES AND DISCLOSURE REQUIREMENTS:

In terms of provisions of the Act and the Listing Regulations, the Company has adopted all the applicable policies. The policies are available on the website of the Company at_ <http://www.aareydrugs.com/>

All Directors and Senior Management Personnel have affirmed their adherence to the provisions of the Code of Conduct during the financial year 2025-26.

The Company's policy on Directors' appointment, remuneration and other matters provided in Section 178(3) of the Act forms part of Nomination and Remuneration Policy and has been disclosed in the Corporate Governance Report.

CORPORATE GOVERNANCE & VIGIL MECHANISM:

A separate Corporate Governance Report on compliance with Corporate Governance requirements as required under Regulation 34(3) read with Schedule V to the Listing Regulations forms part of this Annual Report. The same has been reviewed and certified by Mr. Virendra G. Bhatt, Practicing Company Secretary, Compliance Certificate in respect thereof is attached as Certificate of Corporate Governance

RISK MANAGEMENT:

The Company has its Risk Management Plan & Policy in place which is also displayed on the website of the Company. In the opinion of the Board, during the financial year 2025-26, no elements of risk which may threaten the existence of the Company were noticed by the Board. The Committee monitors the risk management plan and ensures its effectiveness. The details of Committee are set out in the Corporate Governance Report

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management's Discussion and Analysis Report for the year under review, as stipulated under the Listing Regulations, is presented in a separate section, forming part of this Report.

PROMOTERS:

The Promoter Group's holding in the Company as on 31st March, 2026 was 37.71% of the Company's paid up Equity Capital. The members may note that the shareholding and other details of Promoters has been provided in Annual Return.

DISCLOSURE REGARDING MAINTENANCE OF COST RECORDS UNDER SECTION 148 OF THE COMPANIES ACT, 2013:

During the year under review, Maintenance of cost records under section 148 of Companies Act, 2013 is not applicable to the Company as the Company did not carry on any activity as specified in Table A and B of Rule 3 of the Companies (Cost Records and Audit) Rules, 2014.

EMPLOYEES:

There were no employees coming under the purview of Section 197(12) of the Act read with Rules 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the rules frame there under

REMUNERATION:

As per Section 197 of the Companies Act, 2013, the ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year:

Name of the Director	Ratio to Median employees
Mihir R Ghatalia, Managing Director	2:8

DISCLOSURE UNDER SECTION 164

None of the Directors of the company are disqualified for being appointed as Directors as specified under section 164 of the Companies Act, 2013.

ACKNOWLEDGEMENTS

Your Directors wish to place on record, the appreciation for the continued support of the customers, Bankers and Suppliers. Your Directors acknowledge and thank the employees for their valuable contribution and involvement.

By order of the Board of Directors

For AAREY DRUGS AND PHARMACEUTICALS LIMITED

Mihir R. Ghatalia
Chairman and Managing Director
DIN: 00581005

Place: Mumbai
Date: 05.09.2026

ANNEXURE TO DIRECTOR'S REPORT

Annexure-A

Form No.: MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026

[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,
Aarey Drugs and Pharmaceuticals Limited

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Aarey Drugs and Pharmaceuticals Limited** having **CIN-L99999MH1990PLC056538** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provides me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's statutory registers, papers, minute books, forms and returns filed with the Registrar of Companies ("ROC"), soft copy of the various records sent over mail as provided by the Company and other relevant records maintained by the Company and also the information provided by the Company, its officers and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2026 ("audit period"), has prima facie complied with the statutory provisions listed hereunder:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2026 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under and the Regulations, Circulars, Guidelines issued thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("the SEBI Act") viz:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015;

Though the following laws are prescribed in the format of Secretarial Audit Report by the Government, the same were not applicable to the Company for the financial year ended 31st March, 2026:-

- (a) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (b) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
 - (c) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings;
 - (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - (f) 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;
- (vi) The Management has identified and confirmed the other laws as specifically applicable to the Company and that it has proper system to comply with the provisions of the respective Acts, Rules and Regulations;

I have also examined compliance with the applicable clauses of the following and I am of the opinion that the Company has prima facie complied with applicable provisions:

- (a) Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India.

- (b) The Listing Agreements entered into by the Company with the Stock Exchanges read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has prima facie complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above subject to the following observations:

- (i) Allotment of 50,00,000 warrants made on 23rd May, 2025 has not been disclosed in the shareholding pattern filed with stock exchange for various quarters during FY 2025-26.
- (ii) The Company has not made disclosures to stock exchange under Regulation 29 (2) of SEBI (Substantial Acquisition of shares and Takeovers) Regulation, 2011 and Regulation 7 (2) of SEBI (Prohibition of Insider Trading) Regulation, 2015 for 7.09% shares sold by Suraj Tradelinks – Promoter Body Corporate.
- (iii) As on 31 March 2026, paid up share capital of the Company is 2,84,54,303 shares which is agreed with the books of accounts of the Company. The company allotted 4,00,000 shares issued as on 1 October 2024 which increased the paid-up capital to 2,84,54,303 shares, however RTA is showing 1,00,000 shares less in their paid-up share capital. The reason for the same is as cited below:

The Company has not received listing approval for one of the allottee named Watco Chennai Real Estate Pvt Ltd for 1,00,000 shares as the allottee has traded during the approval stage, hence both the stock exchange has withheld the approval of allottee Watco Chennai Real Estate Pvt Ltd, hence there is a difference of the said 1,00,000 shares. The Company has received approval for rest of the allottees except Watco Chennai Real Estate Pvt. Ltd. Both the stock exchanges have not decided the matter yet. Further, in the shareholding pattern filed for various quarters during FY 2025-26, the listed entity has only disclosed the listed capital and has not disclosed the above referred unlisted capital.
- (iv) As per Reg. 167(6) of SEBI (Issue of Capital and Disclosure Requirements) Regulation, 2018, the entire pre-preferential shareholding of the allottees of preferential allotment shall be under lock-in from the relevant date upto a period of 90 trading days from trading approval–Relevant date in this case was 3rd December, 2024. The Company has failed to indicate whether Suraj Tradelinks, Promoter Body Corporate had sold its shares after expiry of 90 days of obtaining the trading approval.
- (v) The Company has not filed MGT-14 with ROC for Board Resolution passed on 23 May 2025 for allotment of 50,00,000 warrants convertible into equity shares and 30 May 2025 for appointment of Internal Auditor.

- (vi) The Company has given loan a Company in which director of the company is interested i.e. Worth Investment. However no specific resolution approving such loans has been obtained by the company by special resolution u/s 185 or 188 of Companies Act, 2013.
- (vii) The Company has not filed Related Party Transaction Disclosure for the half year ended on 30 September 2025 under Regulation 23 (9) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015. Stock Exchanges have imposed a penalty on the same.
- (viii) The Company has not filed statement of deviation/variation of proceeds of Preferential Allotment of warrants for any quarter during the FY 2025-26.
- (ix) The Company has software for the structured digital database, however we are not satisfied regarding the completeness of the data maintained during FY 2025-26.

I further report that:-

1. I have not examined the Financial Statements, Financial books, related financial Acts and Related Party Transactions etc., For these matters, I rely on the report of statutory auditors for Financial Statement for the financial year ended 31st March, 2026.
2. The Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. The changes in the composition of the Board of Directors that took place during the audit period under review were prima facie carried out in compliance with the provisions of the Act.
3. As per the information provided, the Company has prima facie given adequate notice to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance.
4. I was informed and I observed from the minutes of the Board and Committee Meetings that all the decisions at the Meetings were prima facie carried out unanimously.
5. 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.
6. The management is responsible for compliances of all business laws. This responsibility includes maintenance of statutory registers/files required by the concerned authorities and internal control of the concerned department.
7. During the audit period, the Company had filed Forms required to be filed within prescribed time and few forms with additional fees.

8. The Company has sought omnibus approval of shareholders for Related Party transaction under Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 for upto maximum value of 2 crore per transaction, but has failed to disclose other details like name(s) of the related party, nature of transaction, period of transaction etc. in the resolution/ explanatory statement. As reported by the Statutory Auditor's Report, the Related Party Transactions during the year were in compliance with section 188 of the Companies Act, 2013 and we rely on the report of the Statutory Auditor.
9. During the audit period, the Company has allotted 50,00,000 Convertible Warrants at a price of Rs. 63.80 per warrant for which the Company received 25% consideration at the time of allotment of the Convertible Warrants (balance consideration to be received as and when the warrant holders exercise their conversion rights).
10. I further report that during the audit period, there were no instances of:
 - i. Public/ Rights/debentures/ sweat equity, etc.;
 - ii. Issue of equity shares under Employee Stock Option Scheme;
 - iii. Redemption / Buy- Back of securities;
 - iv. Merger / amalgamation / reconstruction etc.;
 - v. Foreign Technical Collaborations.

I further report that:

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. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. Where ever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
4. I have not verified the correctness and appropriateness of financial records and Books of Accounts of Company.
5. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

7. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some Misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

Date : 3 September 2026

Place: Mumbai

UDIN: A046804H001369642

Sd/-

Ashika Shetty

Practicing Company Secretary

ACS No.: 46804/ COP No.: 27779

Peer Review Cert. No.: 6493/2025

ANNEXURE-B

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS REQUIRED UNDER SECTION 134 (3) (m) OF THE COMPANIES ACT, 2013, READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

1) CONSERVATION OF ENERGY**a) Energy conservation measures taken:**

- i) The Company has been strictly observing and monitoring the power consumption.
- ii) The grinding operation with keeping the automatic regular of feeds has been maintained to minimize power consumption.
- iii) Dual Fuel Burner was installed.

b) Impact of above measures:

High power factor above 0.9 and optimization of the grind ability has been maintained.

2) POWER AND FUEL CONSUMPTION

Particulars	2025-2026	2024-2025
(i) Electricity Purchased		
Units (KWH)	9,49,092 KWH	9,47,152 KWH
Total Amount (₹)	1,27,13,960	1,12,39,700
Rate/Unit (₹)	8.60	11.86
(ii) Own generation		
a) Through diesel generator	5,938 KWH	3,563 KWH
Units per litre of Diesel Oil	2.96 KWH	3.3 KWH
Cost/Unit (₹)	33.68	27.90
b) Through steam turbine/generator		NIL
Units per litre of fuel oil/gas		NIL

Particulars	2025-2026	2024-2025
Cost/Unit (₹)		NIL
(iii) Coal		
Quantity (Tons)	1,724.694	281.441
Total Cost (₹)	1,52,63,542	26,45,545
Average Rate (₹/MT)	8850/Mt	9.40
(iv) Furnace Oil / Diesel (Diesel/LDO)		
Quantity (M.T.)	35.781	1.44 / 24.04
Total Amount (₹)	21,88,724	1,09,308 / 12,48,422
Average Rate (₹)	61.17/Kg	91.09 / 61.80
(v) Others / Internal Generation (Biomass Briquette)		
Quantity (MT)		1092.77
Total Cost (₹)		99,44,207
Rate/Unit (₹)		9,100 / MT

3) ACTUAL PRODUCTION

Particulars	2025-2026 (MTS)	2024-2025 (MTS)
Total Production	574.763	2,590.23 MT

RESEARCH & DEVELOPMENT (R&D)

Quantity (in MTS)

Particulars	2025-2026	2024-2025
Total Production		2,590.23 MT

Research & Development (R&D)

Particulars	Details
Specific areas in which R&D is conducted by the Company	-
Benefits derived as a result of the above R&D	-
Further Plan of Action	-
Management Review	-

Expenditure on R&D

Particulars	2025-2026 (INR)	2024-2025 (INR)
a) Capital		40,656,467
b) Recurring		-----
Total		[Insert total]
c) R&D Expenditure as % of Turnover		[To be given]

4) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

Particulars	2025-2026 (INR)	2024-2025 (INR)
a) Efforts, in brief, made towards technology absorption, adaptation and innovation		—
b) Benefits derived as a result of the above		—

Particulars	2025-2026 (INR)	2024-2025 (INR)
c) Imported Technology (last 5 years)		
1. Technology import		—
2. Year of import		—
3. Has technology been fully absorbed		—
4. If not fully absorbed, areas where this has not taken place, reasons therefor and future plans of action		—

5) FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars	2025-2026 (INR)	2024-2025 (INR)
Activities relating to exports; initiatives taken to increase exports; development of new export markets for products & services; and export plans		—
Total Foreign Exchange Used		1108.20 Lakh
Total Foreign Exchange Earned (FOB)		298.23 Lakh

By order of the Board of Directors

For AAREY DRUGS AND PHARMACEUTICALS LIMITED

Mihir R. Ghatalia

Chairman and Managing Director

DIN: 00581005

Place: Mumbai

Date: 05.09.2026

Annexure C

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES
 FOR THE FINANCIAL YEAR 2025-26**

1. Brief outline of CSR Policy of the Company:

A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs:

- To make CSR a key business process for sustainable development for the society.
- To aim at supplementing the role of the Government in enhancing welfare measures of society based on the immediate and long term social and environmental consequences of their activities.
- To directly or indirectly take-up programmes that benefit the communities in vicinity where the Company operates and results, over a period of time, in enhancing the quality of life & economic wellbeing of the local populace.

2. Composition of CSR Committee:

Name of Members	Category	Designation
Mr. Chetan K Mehta	Non-Executive- Independent Director	Chairman
Mr. Mihir R Ghatalia	Executive Director	Member
Mr. LalitTulsiani	Non-Executive-Independent Director	Member

3. The web-link where CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

The CSR Policy and CSR Projects approved by the Board of Directors of the Company can be viewed at:
<https://aareydrugs.com/>

4. Provide the executive summary along with web-link of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:

The Company is not required to carry out the Impact Assessment of CSR projects in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 as the said rule is not applicable to the Company.

5. a) Average net profit of the company as per section 135(5): Rs. 1745.44 Lakh
- b) Two percent of average net profit of the company as per section 135(5): Rs. 11.64 Lakh
- c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
- d) Amount required to be set off for the financial year, if any: Nil
- e) Total CSR obligation for the financial year: Rs. 11.64 Lakh
6. a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Nil
- b) Amount spent in Administrative Overheads: Nil
- c) Amount spent on Impact Assessment, if applicable: Not Applicable
- d) Total amount spent for the Financial Year: Rs. 11.64 Lakh
- e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (Rs in Lakh)	Amount Unspent (Rs .in Lakh)			
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)	
	Amount	Date of Transfer	Amount	Date of Transfer
11.64	Nil	N.A.	11.64	07.09.2026

- f) Excess amount for set off, if any

Sr. No.	Particulars	Amount (Rs. in Lakh)
1.	Two percent of average net profit of the company as per section 135(5)	Rs. 11.64 Lakh
2.	Total amount spent for the Financial Year	Rs. 11.64 Lakh
3.	Excess amount spent for the financial year [(ii)-(i)]	NA
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA

5.	Amount available for set off in succeeding financial years [(iii)-(iv)]	NA
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6. Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (Rs. in Lakh)	Balance Amount in Unspent CSR Account under Section 135(6) (Rs. in Lakh)	Amount spent in the Financial Year (Rs. in Lakh)	Amount transferred to a fund as specified under Schedule VII as per as per second proviso to Section 135(5), if any.		Amount remaining to be spent in succeeding financial years (Rs. in Lakh)	Deficiency, if any
					Amount (Rs. in Lakh)	Date of transfer		
Nil								

7. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If Yes, enter the number of Capital assets created/ acquired: NA

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent (Rs in Lakh)	Details of entity / Authority / beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address

Not applicable

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

By order of the Board of Directors
For AAREY DRUGS AND PHARMACEUTICALS LIMITED

Mihir R. Ghatalia
Chairman and Managing Director
DIN: 00581005

Place: Mumbai
Date: 05.09.2026

MANAGEMENT DISCUSSION AND ANALYSIS

This report contains statements, which may constitute “forward looking statements” within the meaning of the applicable securities laws and regulations. Forward-looking statements are based on certain assumptions and expectations of the future events. Actual results could differ materially from those expressed or implied. Important factors that could impact the Company’s performance include, among others, economic conditions affecting the demand / supply and price conditions in the markets in which the company operates, changes in the Government policies, regulations, tax laws, other statutes and incidental factors.

The Company undertakes no obligations to update or revise forward-looking statements on the basis of any subsequent developments, information or events.

GENERAL REVIEW

The Company is in the API / Bulk Drugs manufacturing and offers a range of products for diverse industrial applications. The Company maintains its head office in Masjid, Mumbai and the plant in Tarapur, Maharashtra.

SIGNIFICANT FINANCIAL EVENTS OF THE YEAR

The Company’s Sales from trading activities is Rs.4,72,26,90,045.84 This has been mainly possible due to the efforts put in to achieve growth. The increased sales also reflect the improved performances of the company. The paid-up equity share capital stood at Rs. 28.45 Cr. The Earnings per Share were Rs.1.39 As the company is going for expansion hence dividend not recommended.

RESOURCES AND LIQUIDITY

Primary liquidity needs have been to finance working capital needs. To fund these, the company relied on internal accruals and borrowings.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company maintains effective internal controls, systems and procedures for management of its business. As a part of this process, system and procedures are regularly reviewed and strengthened. The internal controls systems cover the accounting, production and administration functions. The Company has appointed an outside internal audit agency to further assess the systems and provide valuable feedback on the systems and areas of improvement of the same. The Company has a proper and adequate system to ensure that all assets are safeguard and protected against loss, theft, unauthorized use and damage from improper use.

HUMAN RESOURCES / DEVELOPMENT

The Company has a large pool of talented and knowledgeable personnel. The Company offers several in-house training programs to its personnel. This is aimed at continuous development and improvement of the company's talent pool. Over 15 in-house training Programs were conducted during the year. Industrial relations at the plant remained cordial throughout the year.

OUTLOOK

The industry sector under which the company operates has been posting healthy growth rates over the years. The market for the product mix is expanding at above 6% per annum. These factors provide opportunities for the company to continue to return impressive growth and returns for all stakeholders.

Information pursuant to part B1(i) of Schedule V SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 as amended. Details of Significant changes in key financial ratios along with detail explanation:

Sr. No	Particulars	31 st March 2026	31 st March 2025	% Change	Explanations
1	Current Ratio	1.81	1.78	1.81%	
2	Debt-Equity Ratio	0.33	0.25	31.96%	Increased due to higher borrowings during the year.
3	Debt Service Coverage Ratio	2.08	2.31	-9.78%	
4	Inventory turnover Ratio	10.85	11.83	-8.21%	
5	Trade Receivables turnover Ratio	3.59	2.98	20.41%	
6	Trade payables turnover Ratio	5.13	4.09	25.27%	Increased due to quicker settlement of trade payables.
7	Net capital turnover Ratio	4.01	4.07	-1.59%	
8	Net profit ratio	0.84%	0.85%	-1.05%	

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9	Return on Capital employed,	5.20%	6.21%	-16.31%	
10	Return on equity	2.64%	2.91%	-9.23%	

By order of the Board of Directors

For AAREY DRUGS AND PHARMACEUTICALS LIMITED

Mihir R. Ghatalia

Chairman and Managing Director

DIN: 00581005

Date: 05-09-2026

Place: Mumbai

CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Company believes in adopting the best corporate governance practices and protecting rights and interests of stakeholders. We further believe that the shareholders have the right to know the complete information on the Board of Directors and the management, their interest in the organization as well as governance practice to be followed by them. Corporate Governance is concerned with creation of long term value of shareholders while also balancing interest of other stakeholders' viz. Employees, Creditors, Government and the Society at large. Corporate Governance is crucial as it builds confidence and trust, which eventually leads to a more stable and sustained resources flow and long term partnership with its investors and other stakeholders.

2. BOARD OF DIRECTORS

a) Composition:

The composition of the Board, details of other directorships, committee positions as on 31st March, 2026 and attendance of Directors at the Board Meetings and at the Annual General Meeting ('AGM') held during the year under review are given in the table below:

Name of Directors	Designation	Directorship in other public Limited Companies #	Other Companies Committee	
			Membership	Chairperson
Mr. Mihir R Ghatalia	Chairman and Managing Director	2	0	0
Mr. Chetan K Mehta	Non - Executive Independent Director	0	0	0
Mr. Lalit Tulsiani	Non - Executive Independent Director	1	1	2
Mr. Nimit R Ghatalia	Executive Director	2	2	0
Mr. Anil Mandal	Non - Executive Independent Director	2	2	1
Mrs. Bina Ghatalia	Non Independent Non -	0	0	0

	Executive Director			
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The number of Directorships excludes Directorships in Private Limited Companies

As required by the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) & the SEBI Listing Regulations, none of the Directors hold Directorship in more than 20 public companies, membership of Board Committees (Audit Committees/ Stakeholders Relationship Committee) in excess of 10 and Chairmanship of Board Committees as aforesaid in excess of 5.

Names of the listed entities where the said persons are Directors and the category of their directorship are as follows:

Name of Directors	Name of Listed Entities in which he is Director	Category of Directorship
Mr. Mihir R Ghatalia	Worth Investment and Trading Company Limited	Executive Director
Mr. Anil Mandal	Worth Investment and Trading Company Limited	Non-Executive Independent Director
Mr. Lalit Tulsiani	Worth Investment and Trading Company Limited	Non-Executive Independent Director
Mr. Nimit R Ghatalia	Worth Investment and Trading Company Limited	Executive Director
Mr. Chetan K Mehta	NIL	NIL
Mrs. Bina Ghatalia	NIL	NIL

b) Number and date of Board Meetings held:

Six Board Meetings were held during the Financial Year 2025-26. The dates on which meetings were held are 23rd May 2025, 30th May 2025, 13th August 2025, 3rd September, 2025, 13th November 2025, 11th February 2026.

Name of Directors	No. of Board Meeting Held	No. of Board Meeting attended	Attendance at last AGM
Mr. Mihir R Ghatalia	6	6	Yes
Mr. Chetan K Mehta	6	6	Yes
Mr. Lalit Tulsiani	6	6	Yes
Mr. Nimit R Ghatalia	6	6	Yes
Mr. Anil Mandal	6	6	Yes
Mrs. Bina Ghatalia	6	6	Yes

The meetings of the Board of Directors are scheduled well in advance and the folder containing agenda for the meeting with detailed review of all aspects of the Company business, including Performance of the Company, Employee relations, details of Investments, Capital Expenditure, etc. is circulated to all the Directors before 7 days of the date of Board Meeting. It also highlights important matters discussed at the Audit Committee, Share Transfer Committee & Investor Grievance Committee of the Board.

c) Disclosure of relationship between directors inter-se:

Mr. Mihir Ghatalia, Managing Director, is brother of Mr. Nimit Ghatalia, Director and Mrs. Bina Ghatalia is mother of Mr. Nimit Ghatalia and Mr. Mihir Ghatalia, except this, there are no inter-se relationships.

d) Skills/expertise/competence of the Board of Directors:-

The Board of Directors possess relevant skills, expertise and competence for the effective functioning of the Company.

Sr. No.	Name of Directors	Leadership	Pharma expertise	Accounting experience	Strategy & Planning	Sales and other development
1	Mr. Mihir R Ghatalia	✓	✓	-	✓	-
2	Mr. Nimit R Ghatalia	-	-	-	✓	✓

3	Mr. Chetan K Mehta	-	-	✓	✓	-
4	Mr. LalitTulsiani	✓	✓	✓	✓	-
5	Mrs. Bina Ghatalia	✓	✓	✓	✓	-
6	Mr. Anil Mandal	-	-	-	✓	✓

e) Web link where details of familiarization programmes imparted to independent directors is disclosed.

The details of the Familiarisation Programme for ID's are available on <http://www.aareydrugs.com/pdf/5.%20Familiarisation%20Programmes.pdf>. All the directors including Independent Directors are well qualified, experienced and renowned persons. The Board has identified the skills/ expertise/ competencies required for effective functioning of the Company.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Act read with Regulation 16(1)(b) of the SEBI Listing Regulations. In the opinion of the Board, the Independent Directors full the conditions specified in section 149(6) of the Act read with Regulation 16(1)(b) of the SEBI Listing Regulations and are independent of the management.

Further, a separate meeting of the Independent Directors was held on 10th February, 2025. All the Independent Directors were present at the said meeting.

3. AUDIT COMMITTEE

a) Composition:

As on 31st March, 2026 the Composition of Audit Committee comprised of Mr. Mihir Rajesh Ghatalia, Mr. Chetan Kirit Mehta and Mr. Lalit Radhakrishna Tulsiani.

b) Meeting and Attendance during the year:

During the financial year 2025-26 the Audit Committee met four times i.e. on 30/05/2025, 13/08/2025, 13/11/2025, and 11/02/2026. The attendance of the members at the meetings is as under:

Name of Member	Category	Designation	No. of Meetings Attended
Mr. Chetan K. Mehta	Non-Executive- Independent Director	Chairman	4
Mr. Mihir R Ghatalia	Chairman & Managing Director	Member	4
Mr. Lalit R Tulsiani	Non-Executive- Independent Director	Member	4

Audit Committee reviews in their meetings & recommends to the Board matters relating to the following terms of reference

(i) Terms of reference

Pursuant to the SEBI Listing Regulations and Section 177 of the Act, the role of the Audit Committee broadly covers as under:

Financial Reporting and other Financial Matters

- Oversight of Company's Financial Reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible;
- Reviewing with the management, quarterly Unaudited Financial Statements and Annual Audited Financial Statements & Auditors' Report thereon before submission to the Board for approval. Review of Annual Financial Statements inter alia includes reviewing changes in Accounting Policies.
- Reviewing management discussion and analysis of financial condition and results of operations;
- Scrutiny of inter-corporate loans & investments;
- Monitoring the performance of the unlisted subsidiaries by reviewing their financial statements including the investments made by them; and Audit & Auditors, Internal Controls
- Recommending the appointment, remuneration and terms of appointment/re-appointment, if required, replacement or removal of auditors, fixation of audit fees and payment for any other services rendered by the other capacity;
- Recommending appointment and remuneration of Cost Auditors;
- Review and monitor the Auditor's independence and performance and effectiveness of audit process;

- Reviewing the adequacy of internal audit function and internal control systems including internal financial controls; and discussion with Internal Auditors any significant findings and follow-up thereon; and
- Reviewing significant audit findings from the statutory and internal audits. Other Matters;
- Approval of all Related Party Transactions;
- Evaluation of Internal Financial Controls and Risk Management Systems;
- Appointment of CFO; and
- Reviewing the functioning of Whistle Blower Mechanism.
- The Audit Committee has all the powers as specified in Regulation 18 of the SEBI Listing Regulations to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary and pursuant to Section 177 of the Act.

4. NOMINATION AND REMUNERATION COMMITTEE

a) Brief Description of terms of reference:

(i) Terms of Reference The terms of reference of Nomination and Remuneration Committee ('NRC'), inter alia, includes the following:

- Identification of persons who are qualified to become Directors and who may be appointed at Senior Management position in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- Recommendation for fixation and revision of remuneration packages of Managing Director and Executive Directors to the Board for review and approval;
- Formulation of criteria for determining qualifications, positive attributes and independence of a Director and recommending to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of every Director and carry out performance evaluation of Directors;
- Devising a policy on diversity of board of directors;
- Extension or continuation of term of appointment of the Independent Director, on the basis of the report of performance evaluation of the Independent Directors.

- Recommend to the Board, all remuneration, in whatever form, payable to Senior Management.
- The weblink thereto is <http://www.aareydrugs.com/pdf/Nomination-and-Remuneration-Policy.pdf>

b) Composition:

As on 31st March, 2026 the Nomination and Remuneration Committee comprised of Mr. Chetan Mehta, Mrs. Bina Ghatalia and Mr. LalitTulsiani.

c) Meeting and attendance during the year:

During the financial year the Nomination and Remuneration Committee met once i.e on 11/02/2026. The attendances of the members at the meetings are as under.

Name of Members	Category	Designation	No of meetings attended
Mr. Lalit Tulsiani	Non-Executive- Independent Director	Chairman	1
Mr. Chetan K Mehta	Non-Executive- Independent Director	Member	1
Mrs. Bina Ghatalia	Non-Executive- Non Independent Director	Member	1

d) Performance evaluation criteria for independent directors:

The NRC lays down the criteria for performance evaluation of Directors. The criteria for performance evaluation covers parameters such as decision taken in the interest of the organization objectively; assisting the Company in implementing the Corporate Governance; monitoring performance of organization based on agreed goals & financial performance; fulfillment of the independence criteria as prescribed and their independence from the management; and active participation in the affairs of the Company as Board/Committee Members.

5. REMUNERATION OF DIRECTORS:

Name of Directors	Salary	Perquisites or Allowances	Contribution to PF & others	Sitting Fees	Total
Mr. Mihir R Ghatalia	600000 p.a.	537169 p.a.	-	-	1137169 p.a.
Mr. Chetan K Mehta	-	-	-	-	-
Mr. Lalit R Tulsiani	-	-	-	-	-
Mrs. Archana Wani	-	-	-	-	-
Mr. Nimit R Ghatalia	300000 p.a.	570294 p.a.	-	-	870294 p.a.
Mr. Anil Mandal	-	-	-	-	-

6. STAKEHOLDERS RELATIONSHIP COMMITTEE:

a. The Committee comprises of the following members:

Name of the Director	Category	Designation
Mrs. Bina Ghatalia	Non-Executive Non-Independent Director	Chairperson
Mr. Mihir R Ghatalia	Executive Director	Member
Mr. Chetan K Mehta	Non-Executive - Independent Director	Member

b. Meeting and attendance during the year:

During the financial year the Stakeholders Relationship Committee met once i.e on 13/11/2025. The attendances of the members at the meetings are as under.

Name of Members	Category	Designation	No of meetings attended
Mrs. Bina Ghatalia	Non-Executive- Non-Independent Director	Chairperson	1
Mr. Mihir R Ghatalia	Executive Director	Member	1
Mr. Chetan K Mehta	Non-Executive-Independent Director	Member	1

b. Name & Designation of Compliance Officer: Mr. Kailash Chand Jethlia, Company Secretary & Compliance Officer

c. Number of Shareholder Complaints received during the year 2025-26: **Nil**

d. Number of Complaints not solved to satisfaction: **Nil**

e. Number of pending complaints: **NIL**

7. COPORATE SOCIAL RESPONSIBILITY COMMITTEE: -

a.) Composition:

As on 31st March 2026 the Composition of Corporate Social Responsibility Committee comprised of Mr. Mihir Rajesh Ghatalia, Mr. Chetan Kiritbhai Mehta and Mr. Lalit Radhakrishna Tulsiani.

b) Meeting and attendance during the year

During the Financial year 2025-26 the Corporate Social Responsibility Committee had no meetings.

Name of Members	Category	Designation
Mr. Chetan K Mehta	Non-Executive- Independent Director	Chairman
Mr. Mihir R Ghatalia	Executive Director	Member
Mr. LalitTulsiani	Non-Executive-Independent Director	Member

8. INDEPENDENT DIRECTOR MEETING

During the year under review, a separate meeting of Independent Directors was held on 11th February, 2026, interalia to discuss:

- Evaluation of the performance of Non-Independent Directors and Board of Directors as a whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors; and
- Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and necessarily perform its duties.

All the Independent Directors of your Company were present in the meeting.

9. GENERAL BODY MEETINGS

Details of last three Annual General Meetings:

The day, date, time and location of the AGMs held during the last three years, and the special resolution(s) passed thereat by e-voting and poll, are as follows:

Year	AGM	Date	Time	Venue	Special Resolution Passed
2025	35th	29 th September, 2025	11:00 A.M	Through Other Audio Visual Means ("OAVM")means	1. Re-Appointment of Mr. Chetan K Mehta (Din: 01639366) As an Independent Director for 2nd Term of 5 Years. 2. To Continuation of Directorship of Mr. Nimit Ghatalia (Din: 07069841) As an Executive Director of the Company.
2024	34th	30 th September, 2024	11:00 A.M	Through Other Audio Visual Means ("OAVM")means	1. Approval of loan(s), investment(s), guarantee(s) or security(ies) under Section 185 of the Companies Act, 2013 up to Rs. 200 Crores.

2023	33rd	05 th September, 2023	11:00 A.M	Through Audio Visual Means ("OAVM") means	Other	1. Increase in Authorised Share Capital and consequential alteration of Capital Clause of the Memorandum of Association. 2. Issue Upto 50,00,000 Equity Shares on a Preferential Basis. 3. Issue of 50,00,000 Convertible Warrants on Preferential basis. 4. Increase in Borrowing Power of Company. 5. Creation of Charge over the Assets of the Company. 6. Approval of loan by the Company in terms of provision of section 185 of the Companies Act 2013. 7. Consent of Members to increase in the limits applicable for making investments/extending loans and giving guarantees or providing securities in connection with loans to Persons / Bodies Corporate.
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8. MEANS OF COMMUNICATION

a) The Annual and Quarterly results are submitted to the Stock Exchanges in accordance with the Listing Regulation.

b) The results of the Company are published in one English daily newspaper [Active Times (English)] and one Marathi newspaper [Mumbai Lakshadeep (Vernacular)]

c) The Company's website www.aareydrugs.com contains the information pertaining to the Company that it is in compliance with the SEBI Listing Regulations.

9. GENERAL SHAREHOLDERS INFORMATION

a) Annual General Meeting:

- Date & Time: Wednesday, 30th September, 2026 at 3:00 p.m
- Deemed Venue : E-34, MIDC, Tarapur, Boisar, Thane – 401506 – AGM held Video Conferencing ('Vc')/Other Audio Visual Means ('Oavm')

b) Financial Year and Tentative Financial Calendar: 1st April, 2026 to 31st March, 2027

QUARTER RELEASE DATE	TENTATIVE AND SUBJECT TO CHANGE
1 st Quarter ending 30 th June, 2026	13 th August, 2026
2 nd Quarter ending 30 th September, 2026	On or before 14 th November, 2026
3 rd Quarter ending 31 st December, 2026	On or before 14 th February, 2027
4 th Quarter ending 31 st March, 2027	On or before 30 th May, 2027

Book Closure Date: 24th September 2026 to 30th September 2026 (both days inclusive)

c) Dividend Payment date: The Board has not recommended any dividend on Equity Shares of the Company for the year ended 31st March, 2026.

d) Equity Shares Listed : BSE Limited (BSE) and National Stock Exchange of India Limited

e) Listing Fees: The Company has paid the Listing fees for the financial Year 2026-27.

f) Stock code: 524412 and AAREYDRUGS

g) ISIN: INE198H01019

h) The monthly high and low shares prices during the year at BSE are as under

MONTH	HIGH	LOW
April –2025	60.35	33.71
May -2025	58.30	51.30
June –2025	68.00	49.01

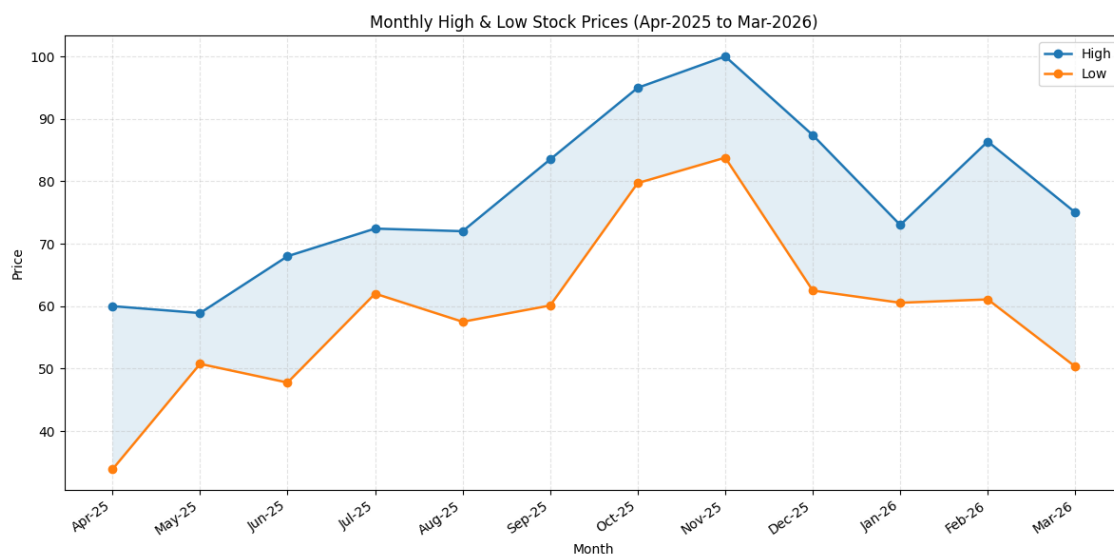
July-2025	72.75	62.01
August-2025	71.49	57.04
September-2025	82.60	62.94
October-2025	94.50	79.10
November-2025	100.00	83.61
December-2025	89.98	62.50
January-2026	72.83	61.16
February-2026	86.29	62.02
March-2026	75.13	50.40

The monthly high and low shares prices during the year at NSE are as under

MONTH	HIGH	LOW
April –2025	60.00	33.87
May -2025	58.89	50.75
June –2025	68.00	47.76
July-2025	72.42	62.00
August-2025	72.00	57.50
September-2025	83.50	60.10
October-2025	94.97	79.71
November-2025	100.00	83.78
December-2025	87.40	62.50
January-2026	73.00	60.54
February-2026	86.37	61.08
March-2026	75.00	50.31

a) Trading of Securities: The Securities of the Company were not suspended from trading at any time during the financial year 2025-26.

Performance in comparison to broad-based indices such as BSE sensex, NSE Sensex etc;



j) Registrar and Share Transfer Agent: MUFG Intime India Private Limited

C-101, 247 Park, LBS Marg, Vikhroli (W), Mumbai-400083

Fax No.: 022 49186060

E-Mail: rnt.helpdesk@in.mpms.muvg.com**k) Share Transfer System:**

Pursuant to Regulation 40(1) of Listing Regulations with effect from 1st April, 2019, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a Depository hence shares shall be transferred only through demat. However, investors are not barred from holding shares in physical form.

l) Distribution of Shareholding as at 31st March, 2026

SHAREHOLDING NOMINAL SHARES	OF	Shareholders		Total Shares	
		Nos.	%	Nos.	%
1-500		12547	87.1743	1214056	4.2666
501-1000		775	5.3846	615440	2.1629
1001-2000		391	2.7166	605935	2.1295
2001-3000		189	1.3131	489354	1.7198
3001-4000		81	0.5628	290847	1.0222
4001-5000		77	0.5350	363385	1.2771
5001-10000		133	0.9241	1014362	3.5649
100001 & above		201	1.3964	23860924	83.8570

m) Dematerialization of Shares and Liquidity:As at 31st March, 2026

Total No. of Fully paid up shares	Shares in demat form	Percentage (%)	Shares in physical form	Percentage (%)
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2,84,54,303	2,79,43,264	97.86 %	5,11,039	1.80%
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Outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued any Global Depository Receipts (GDR), American Depository Receipts (ADR).

During the year company has allotted 50,00,000 Convertible Warrants convertible into 50,00,000 (Fifty Lakhs) Equity Shares of the Company, having face value of Rs.10/- (Rupees Ten Only) each, on Preferential Basis ("Preferential Issue"), at an issue price of Rs. 63.80/- (Rupees Sixty Three and Eighty Paise only) per Convertible Warrant to allottees.

p) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

No such risks or activities to report during the Financial year under review.

q) Plant Location: E-34, M.I.D.C., Tarapur, Boisar, Thane – 401506

r) Address For Correspondence: 107, Sahakar Bhavan, Narshi Natha Street 340/348, Masjid Bunder, Mumbai- 400009

s) Credit Ratings: Ratings assigned in the FY 2025-26 as ACUITE BBB/ Outlook: Stable from ACUITE Ratings and Research

10. DISCLOSURES:

a) Related Party Transactions:

Transactions with related parties are disclosed in notes to accounts annexed to the financial statements. The policy on dealing with Related Party Transaction is available on Company's website.

b) Vigil Mechanism, Whistle Blower Policy, and affirmation that no Personnel has been denied access to the Audit Committee:

The Company has established a vigil mechanism for Directors and employees to report concerns about unethical behaviour, actual or suspected fraud, or violation of code of conduct or ethics policy. The policy is available on <http://www.aareydrugs.com/pdf/4.%20Whistle%20Blower%20Vigil%20Mechanism.pdf>

c) Adoption of mandatory and non-mandatory requirements:

The Company has complied with all mandatory requirements as contained in SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

d) Web link for policy determining 'material' subsidiaries: The Company does not have any subsidiary as defined under the Companies Act, 2013, but the Company has adopted the policy which is available on the website <http://www.aareydrugs.com/pdf/4.%20Whistle%20Blower%20Vigil%20Mechanism.pdf>.

e) Web link where policy on dealing with related party transactions: There were no materially significant related party transactions with the promoters, Directors etc that may have potential conflicts with the interest of the company at large. The web link is <http://www.aareydrugs.com/pdf/2-Related-Party-Transaction.pdf>

f) Certificate from Company Secretary In Practice on Non-Disqualification Of Directors of the Company: certificate from a Company Secretary in practice is annexed herewith as a part of report in Annexure D that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority.

g) Acceptance of Recommendation from the Committee: During the financial year, the Board of Directors of the Company has accepted all the recommendation of all the committees.

h) Certificate from Company Secretary In Practice on Non-Disqualification Of Directors of the Company: certificate from a Company Secretary in practice is annexed herewith as a part of report that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority.

i) Acceptance of Recommendation from the Committee: During the financial year, the Board of Directors of the Company has accepted all the recommendation of all the committees.

j) Total fees for all services paid to the Statutory Auditors: The total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is Rs 1.75 Lakh.

k) Disclosures in relation to Sexual Harassment of Women at workplace (Prevention, Prohibition And Redressal) Act, 2013:

a. number of complaints filed during the financial year - Nil

b. number of complaints disposed of during the financial year - Nil

c. number of complaints pending as on end of the financial year - Nil

I) Compliance of the requirement of Corporate Governance Report: During the Financial year 2025-26, the Company has complied with the requirements of Corporate Governance Report of sub-paras (2) to (10) of the Point C of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

For and on behalf of the Board of Directors

Mihir R. Ghatalia
Chairman and Managing Director
DIN: 00581005

Place: Mumbai
Date: 05.09.2026

Virendra Bhatt

Company Secretary

Office :

Office No.: 03, A Wing, 9th Floor,

Pinnacle Corporate Park,

BKC CST Link Rd., MMRDA Area,

Bandra Kurla Complex,

Bandra East, Mumbai - 400 051

Tel.: 022 - 2652 9367 / 68

Mobile No.: +91 98200 48670

Email : bhattvirendra1945@yahoo.co.in

CERTIFICATE OF CORPORATE GOVERNANCE

To,

The Members of **Aarey Drugs and Pharmaceuticals Limited**

I have examined the compliance of Corporate Governance by **Aarey Drugs and Pharmaceuticals Limited** ('the Company') for the year ended 31st March, 2026, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the SEBI Listing Regulations') as referred to in Regulation 15(2) of the SEBI Listing Regulations for the year ended 31st March, 2026.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. My examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring the Compliance with the conditions of Corporate Governance as stipulated in the said Regulations. It is neither an audit nor an expression of Corporate Governance as stipulated in the above-mentioned SEBI Listing Regulations, as applicable.

In my opinion and to the best of my information and according to the explanation given to me and based on the representations made by the Management, I am of the opinion that the Company has prima facie complied with the conditions of Corporate Governance as stipulated in the above-mentioned SEBI Listing Regulations, as applicable.

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

Date: 05th September, 2026

Place: Mumbai

UDIN: A0011574001386772

Virendra G. Bhatt

Practicing Company Secretary

ACS No.: 1157 / COP No.: 124

Peer Review Cert. No.: 6489/2025



CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

**To,
The Board of Directors
AAREY DRUGS & PHARMACEUTICALS LTD**

I, Mira Mihir Ghatalia, the undersigned, in my respective capacity as Chief Financial Officer of Aarey Drugs & Pharmaceuticals Limited ("the Company"), to the best of my knowledge and belief certify that:

(a) I have reviewed the financial statements and the cash flow statement for the year ended on March 31, 2026 and based on our knowledge and belief, I state that:

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

(b) I further state that to the best of my knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal, or violative of the Company's code of conduct.

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

(d) I have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:

- (i) Significant changes, if any, in the internal control over financial reporting during the year;
- (ii) Significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
- (iii) Instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

**Mira Mihir Ghatalia
Chief Financial Officer**

Place: Mumbai

Date: 5th September, 2026

Virendra Bhatt

Company Secretary

Office :

Office No.: 03, A Wing, 9th Floor,
Pinnacle Corporate Park,
BKC CST Link Rd., MMRDA Area,
Bandra Kurla Complex,
Bandra East, Mumbai - 400 051

Tel.: 022 - 2652 9367 / 68

Mobile No.: +91 98200 48670

Email : bhattvirendra1945@yahoo.co.in

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

Aarey Drugs and Pharmaceuticals Limited

E-34, M.I.D.C., Tarapur, Boisar, Thane,
Maharashtra, India, 401506

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Aarey Drugs and Pharmaceuticals Limited** having CIN: L99999MH1990PLC056538 and having registered office at E-34, M.I.D.C., Tarapur, Boisar, Thane, Maharashtra, India, 401506 (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 and 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) as considered necessary and explanations furnished to me by the Company & its Officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31st March, 2026 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 the Director	DIN	Original Date of appointment
1.	Mihir Rajesh Ghatalia	00581005	02/08/2004
2.	Chetan Kiritbhai Mehta	01639366	02/06/2008
3.	Lalit Radhakrishna Tulsiani	01652630	29/01/2020

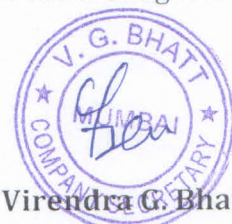


4.	Nimit Rajesh Ghatalia	07069841	01/07/2020
5.	Anil Mandal	08291619	01/07/2020
6.	Bina Rajesh Ghatalia	01471745	09/10/2023

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

Date: 05th June, 2026

Place: Mumbai



Virendra G. Bhatt

Practicing Company Secretary

ACS No.: 1157 / COP No.: 124

Peer Review Cert. No.: 6489/2025

UDIN: A001157H000583992

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Board of Directors

M/S Aarey Drugs & Pharmaceuticals Limited

Dear Sir,

I undertake to comply with the conditions laid down in sub-clause of clause 49 read with section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

(a) I declare that upto the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the company, its promoter, its directors, senior management or its holding company, its subsidiary and associates as named in the annexure thereto which may affect my independence as director on the board of the company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall keep prior approval of the board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.

(b) I declare that I am not related to promoters or persons occupying management positions at the board level or at one level below the board and also have not been executive of the company in the immediately preceding three financial years.

(c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following: (i) the statutory audit firm or the internal audit firm that is associated with the company and (ii) the legal firm(s) and consulting firm(s) that have a material association with the company

(d) I have not been a material suppliers, service provider or customer or lessor or lessee of the company, which may affect independence of the director, and was not a substantial shareholder of the company i.e., owning two percent or more of the block of voting shares.

Thanking You,

Yours Faithfully,

1) Chetan K Mehta 2) Lalit R Tulsiani 3) Anil Mandal

Date: 05-09-2026

Place: Mumbai

INDEPENDENT AUDITOR'S REPORT

To the Members of **AAREY DRUGS & PHARMACEUTICALS LTD**

Report on the Audit of the Financial Statements

OPINION

We have audited the Financial Statements of **AAREY DRUGS & PHARMACEUTICALS LTD** ("the Company"), which comprise the Balance Sheet as at 31st March 2026, the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes to the Financial Statements, including a Summary of Significant Accounting Policies and Other Explanatory Information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and profit/loss, 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.

EMPHASIS OF MATTER

1. We draw attention to Note 3.1 of the Financial Statements, which states that the Company has acquired certain items of Plant and Machinery during the year, which, as at 31 March 2026, were not in the location and condition necessary for their intended use. Accordingly, such assets continue to be classified under Capital Work-in-Progress (CWIP), and depreciation has not been charged on these assets during the year. Depreciation on the said assets will commence from the date on which they are available for use.
2. We draw your attention to Note 36 of Balance sheet which states that Closing Balances are relied upon as per books of accounts as there is absence of significant periodic balance confirmation for verification of outstanding balance of debtors and creditors. Debtors and Creditors Balances are subject to Confirmation. Debtors & Creditors Balances are as per Management representation and relied upon by the auditors. The consequential impact thereof on the account is not ascertainable.

Our opinion is not modified in respect to the said matter.

KEY AUDIT MATTERS

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

We have determined the matters described below to be key audit matter to be communicated in our report.

PARTICULARS	AUDITOR'S RESPONSE
Statutory liabilities The Company has various tax litigations pending before various authorities, the outcomes of which are material but not practicable for the Company to estimate the timings of cash outflows.	For legal, regulatory and tax matters our procedures included examining external legal opinions obtained by management; meeting with regional and local management and examining relevant Group correspondence; discussing litigations with the Company's legal counsel and tax head; assessing management's conclusions through understanding precedents set in similar cases; and circularization, where appropriate, of confirmations to third party legal representatives regarding certain material cases. We also involved our internal tax specialists to gain an understanding and to determine the level of exposure for tax litigations of the Company. The outcomes of these tax litigations remain uncertain, and as of the date of our audit report, the Company has been unable to reliably estimate the timing of any cash outflows that may result from these litigations. The ultimate resolution of these matters may result in material adjustments to the financial statements in future periods. In light of the above, we examined the level of provisions recorded in financial statements.

OTHER MATTER

Loan to directors, its relatives or entities in which director is interested.

As per Section 185 of the companies Act, 2013, the company cannot provide loans directly or indirectly to any of its directors or relative of director or entities in which director is interested. If the company advances loan in contravention to Section 185, the company shall be punishable with fine which shall not be less than Rs. 5 Lakh but may extend to Rs.25 Lakh.

Company has provided loans to directors which is in non-compliance of section 185 of the Companies Act, 2013. Details of loans to directors are as follows :

Particulars	Nature of relationship with the company	Tranaction during the year	Balance as on 31.03.2026
Mihir Ghatalia	Managing Director	90.26,254/-	0
Nimit Ghatalia	Whole Time Director	2,00,51,032/-	0
Bina Ghatalia	Director	6,20,62,285/-	0
Ekta N Ghatalia	Relative of director	2,38,08,000/-	0

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

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

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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 sub-section (11) of section 143 of the Companies Act, 2013, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

- iv.
- (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (i) and (ii) contain any material mis-statement
- v. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
3. Based on our examination carried out in accordance with the Implementation Guidance on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 issued by the Institute of Chartered Accountants of India, which included test checks, we report that the company has not used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has not been operated throughout the year for all relevant transactions recorded in the software.
- a. Further, during the course of our audit we were unable to check instance of the audit trail feature being tampered with. Our examination of the audit trail was in the context of an audit of financial statements carried out in accordance with the Standard of Auditing and only to the extent required by Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - b. We have not carried out any audit or examination of the audit trail beyond the matters required by the aforesaid Rule 11(g) nor have we carried out any standalone audit or examination of the audit trail.

-
- c. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2026.

For Motilal & Associates LLP

(a member firm of M A R C K S Network)

Chartered Accountants

ICAI FRN: 106584W/W100751

Sd/

Motilal Jain

(Partner)

ICAI MRN: 036811

Place: Mumbai

Date: 30th May, 2026

UDIN: 26036811ZVYXOT6409

ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of **AAREY DRUGS & PHARMACEUTICALS LTD** of even date)

- (i)
 - a)
 - (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (B) The Company does not have any Intangible assets therefore maintenance of its records is not required.
 - b) The Company has a regular programme for physical verification of its Property, Plant and Equipment by which its Property, Plant and equipment are verified in a phased manner. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its Property, Plant and equipment. According to the information and explanations given to us, no material discrepancies were noticed on verification of the Property, Plant and Equipment.
 - c) According to the information and explanations given to us, the title deeds of all the immovable properties included in financial statements are held in the name of the Company.
 - d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Therefore, reporting under the said clause is not required.
 - e) According to the information and explanations given to us, there are no proceedings initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii)
 - (a) The management has conducted physical verification of inventory at reasonable intervals during the year and the coverage and procedure of such verification done by the management is appropriate. No material discrepancies of 10% or more in the aggregate for each class of inventory were noticed during such physical verification.
 - (b) According The Company has been sanctioned working capital limits in excess of ₹5 crore, in aggregate, from banks on the basis of security of current assets. The quarterly returns or statements filed by the Company with such banks or financial institutions are not in agreement with the books of account of the Company. The details of discrepancies are as under:

Quarter	Amount as per quarterly return/statement submitted to bank	Amount as per books	Discrepancy
1	35,68,78,193	40,71,24,703	5,02,46,510
2	39,12,36,959	39,12,36,959	Nil
3	41,63,22,756	41,63,22,756	0.23
4	41,53,69,309	41,53,62,115	7,194

As explained by the management the discrepancy in Q1 primarily arose due to differences in the rates considered for certain inventory items while preparing the stock statement submitted to the bank and omission of certain inventory items from the stock statement, in respect of Industrial Solvent, the rate considered in the stock statement differed from the actual rate, and Methoxy Iministibine was held under lock and key at the factory and was inadvertently omitted while preparing the stock statement.

- (iii) According to the information and explanations given to us, the Company has granted unsecured loans, to various companies, firms, and other parties.
- (A) According to the information and explanations given to us the Company does not have any subsidiaries, joint ventures and associates hence not commented upon.
- (B) The aggregate amount of loans or advances during the year amounts to Rs. 92,61,94,398/- and balance outstanding at the balance sheet date amounts to Rs 20,60,44,771/- with respect to such loans or advances and guarantees or security to parties other than subsidiaries, joint ventures and associates.
- (a) According to information and explanations given to us and based on the audit procedures performed by us, the terms and conditions of the loans and advances granted to the Parties at interest of 9% to 12% per annum however, they are not prejudicial to the Company's interest.
- (b) No schedule of repayment of principal has been stipulated. Therefore, we cannot comment on the same.
- (c) The amount is not overdue for more than 90 days since it is repayable on Demand.
- (d) According to information and explanation and reasons given to us there are no such loans which are renewed or extended during the year and there are no fresh loans granted to settle the overdues of existing loans given to the same parties

- (e) According to information and explanation and reasons given to us, the Company has granted loans or advances in the nature of loans either repayable on demand or without specifying period of repayment of amount aggregating to Rs. 92,61,94,398 /-

Particulars	Promoters	Related Parties	Others
Aggregate amount of loans /advances in nature of loans - Repayable on demand	9,11,39,571 /-	76,13,61,599 /-	7,36,93,228 /-
Percentage of loans / advances in nature of loans to the total loans	9.84%	82.20%	7.96%

- (iv) (A) In our opinion and according to information and explanations given to us, the Company has advanced loans to Directors/Company in which the director is interested to which the provisions of Section 185 of the Companies Act, 2013 apply and details of the parties are as mentioned below -

Name of Company/Party	Amount Involved	Balance as at balance sheet date
Mihir Ghatalia	90,26,254/-	Nil
Nimit Ghatalia	2,00,51,032/-	Nil
Mira Ghatalia	3,27,44,866/-	Nil
Bina Ghatalia	6,20,62,285/-	Nil
Ekta N Ghatalia	2,38,08,000/-	Nil

(B) Also, in our opinion and according to the information and explanation given to us, the Company has not made investment and given guarantee/provided security which falls under the purview of section 186 of the Companies Act, 2013 and hence not commented upon.

- (v) According to the information and explanations given to us, the Company has not accepted deposits during the year and does not have any deemed deposits as at 31st March, 2026 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- (vi) As per the information and explanation given to us, the maintenance of cost records specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not applicable to the Company and hence not commented upon.

(vii)

- a) The Company has generally been regular in depositing undisputed statutory dues including Provident fund, Employees State Insurance, Income-tax, Goods & Service Tax, Sales-tax, Service Tax, Customs duty, Excise duty, Value Added Tax, cess and any other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Goods & Service Tax, Sales tax, Service Tax, Customs duty, Excise duty, Value Added Tax, cess and any other material statutory dues in arrears, as at March 31, 2026 for a period of more than six months from the date they became payable except for the following:

Name of the statute	Nature of Dues	Amount	Period to which amount relates (Assessment Year)	Due Date	Date of payment
Income Tax Act, 1961	TDS Short Payment	75,015	Prior years	Various Dates	Unpaid till date
Income Tax Act, 1961	TDS Short Deduction	4,406	Prior years	Various Dates	Unpaid till date
Income Tax Act, 1961	Interest on payment default u/s 201	10,73,766	Prior years	Various Dates	Unpaid till date
Income Tax Act, 1961	Interest on Deduction default u/s 201	4,516	Prior years	Various Dates	Unpaid till date
Income Tax Act, 1961	Late Filing Fees u/s 234E	1,86,600	Prior years	Various Dates	Unpaid till date
Income Tax Act, 1961	Interest u/s 220(2)	47,669	Prior years	Various Dates	Unpaid till date
Income Tax Act, 1961	143(1)(a)	69,12,440	2024-25	Various Dates	Unpaid till date
Income Tax Act, 1961	143(1)(a)	65,760	2023-24	Various Dates	Unpaid till date
Income Tax Act, 1961	147	57,60,507	2013-14	Various Dates	Unpaid till date
Income Tax Act, 1961	154	1,02,760	2016-17	Various Dates	Unpaid till date
Income Tax Act, 1961	250	31,35,130	2007-08	Various Dates	Unpaid till date
Income Tax Act, 1961	115WE	25,495	2009-10	Various Dates	Unpaid till date

- b) Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2026 on account of dispute are given below:

Name of the Statute	Nature of dues	Amount	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	272A(1)(d)	70,000	AY 2021-22	Not Applicable (Appeal not yet filed)
Income Tax Act, 1961	272A(1)(d)	40,000	AY 2020-21	Not Applicable (Appeal not yet filed)
Income Tax Act, 1961	143(1)(a)	77,74,140	AY 2025-26	Not Applicable (Appeal not yet filed)
Goods and service Tax Act, 2017	Demand Order u/s 73	6,17,10,073	FY 2017-18	GST Appellate Tribunal
Goods and service Tax Act, 2017	Demand Order u/s 73	1,81,21,609	FY 2018-19	GST Appellate Tribunal
Goods and service Tax Act, 2017	Demand Order u/s 73	8,80,589	FY 2019-20	Joint Commissioner of State Tax
Goods and service Tax Act, 2017	Demand Order u/s 73	11,00,359	FY 2020-21	Joint Commissioner of State Tax
Goods and service Tax Act, 2017	Demand Order u/s 73	7,70,047	FY 2021-22	Joint Commissioner of State Tax
Goods and service Tax Act, 2017	Demand Order u/s 73	26,98,277	FY 2018-19	Joint Commissioner of State Tax

Goods and service Tax Act, 2017	Demand u/s 73	Order	9,46,177	FY 2017-18	Joint Commissioner of State Tax
Goods and service Tax Act, 2017	Demand u/s 73	Order	40,62,269	FY 2020-21	Joint Commissioner of State Tax
Maharashtra Value Added Tax Act, 2002	Order u/s 26		42,92,536	FY 2014-15	Joint Commissioner of State Tax
Maharashtra Value Added Tax Act, 2002	Order u/s 26		34,39,215	FY 2007-08	Appeal Filed with Maharashtra State Tribunal

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

(ix)

- (a) According to the information and explanations given to us and based on the audit procedures performed by us the Company has not defaulted in repayment of any loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and based on the audit procedures performed by us, the Company is not a declared wilful defaulter by any bank or financial institution or other lender.
- (c) According to the information and explanations given to us, the Company has taken term loans which are applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and based on the audit procedures performed by us, no instances were found where the funds raised on short term basis have been utilised for long term purposes.
- (e) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, paragraph 3(ix)(e) of the Order is not applicable to the Company and hence, not commented upon.
- (f) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, paragraph 3(ix)(f) of the Order is not applicable to the Company and hence, not commented upon.

- (x)
- (a) According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(x)(a) of the Order is not applicable to the Company and hence, not commented upon.
 - (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, paragraph 3(x)(b) of the Order is not applicable to the Company and hence, not commented upon.
- (xi)
- (a) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
 - (b) Since, no material fraud by the Company or on the Company has been noticed or reported during the year, therefore, no reporting under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
 - (c) To the best of our knowledge and according to the information and explanations given to us no whistle-blower complaints, have been received during the year by the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Consequently, provisions of clause 3(xii) of the Order are not applicable to the Company and hence, not commented upon.
- (xiii) In our opinion and according to the information and explanations given to us, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details of related party transactions have been disclosed in the Financial Statements, as required by the applicable accounting standards.
- (xiv)
- (a) The Company has an internal audit system in place which is sufficient with respect to its size and nature of the business.
 - (b) The reports of the Internal Auditors for the period under audit were considered and no material observations were found in it.
- (xv) According to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

-
- (xvi)
- (a) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
 - (b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the period under review.
 - (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
 - (d) The Company is not part of any group of companies therefore provisions of Paragraph 3(xvi)(d) is not applicable to the Company and hence not commented upon.
- (xvii) The Company has not incurred any cash losses in the current financial year and in the immediately preceding financial year. Hence, this clause is not applicable
- (xviii) There has been no resignation of the statutory auditors during the year under review.
- (xix) On the basis of information and explanations given to us and on basis of financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- (xx)
- (a) In respect of ongoing projects, the Company does not have any unspent amount required to be transferred to a special account in compliance with the provisions of Section 135(6) of the Companies Act, 2013. Accordingly, the provisions of paragraph 3(xx)(a) of the Order are not applicable to the Company.
 - (b) In respect of other than ongoing projects, the Company was required to spend ₹11,63,627 towards CSR expenditure during the year under Section 135 of the Companies Act, 2013. The Company has not spent any amount towards CSR during the year. Accordingly, the unspent amount of ₹11,63,627 was required to be transferred to a Fund specified in Schedule VII to the Act within the prescribed period. The Company has not transferred the said amount to such Fund within the prescribed period. Further, an amount of ₹14,25,305 pertaining to the financial year 2024-25 remained unspent and was not transferred to a Fund specified in Schedule VII within the prescribed period.

(xxi) The Company does not have any subsidiaries therefore reporting under Paragraph 3(xxi) is not applicable to the Company and hence not commented upon.

For Motilal & Associates LLP
(a member firm of M A R C K S Network)
Chartered Accountants
ICAI FRN: 106584W/W100751

Sd/-
Motilal Jain
(Partner)
ICAI MRN: 036811

Place: Mumbai
Date: 30th May, 2026
UDIN: 26036811ZVYXOT6409

ANNEXURE“B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2(f) under Report on Other Legal and Regulatory Requirements section of our report to the members of **AAREY DRUGS & PHARMACEUTICALS LTD** of even date)

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 AAREY DRUGS & PHARMACEUTICALS LTD (“the Company”) as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR’S RESPONSIBILITY

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, to the best of our information and according to the explanation 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, 2026 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Motilal & Associates LLP

(a member firm of M A R C K S Network)

Chartered Accountants

ICAI FRN: 106584W/W100751

Sd/-

Motilal Jain

(Partner)

ICAI MRN: 036811

Place: Mumbai

Date: 30th May, 2026

UDIN: 26036811ZVYXOT6409

AAREY DRUGS & PHARMACEUTICALS LTD

1. Company Overview

Aarey Drugs & Pharmaceuticals Ltd("the Company") is a public limited company domiciled in India and incorporated under the provisions of the Companies Act 1956. The registered office of the Company is located at E-34, M.I.D.C., Tarapur, Boisar, Thane, Maharashtra, India, 401506. The Company is listed on the Bombay Stock Exchange (BSE).

2. Significant accounting policies

The financial statements have been prepared using the significant accounting policies and measurement basis summarized below. These were used throughout all periods presented in the financial statements, except where the Company has applied certain accounting policies and exemptions upon transition to Ind AS.

2.1. Compliance with Indian Accounting Standards

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant provisions of the Companies Act, 2013 ("the Act"). The policies set out below have been consistently applied during the year presented.

For all periods up to and including the year ended 31 March 2017, the Company has prepared its financial statements in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act ("Previous GAAP").

2.2. Basis of Preparation and Presentation

Historical cost convention

The financial statements have been prepared under the historical cost convention, as modified by the following:

- i. Certain financial assets and financial liabilities are valued at fair value;

Functional and Presentation Currency

The financial statements are presented in INR, which is also the Company's functional currency and all amounts are rounded to the nearest thousand, unless otherwise stated.

Classification of Assets and Liabilities into Current/Non-Current

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- i. It is expected to be settled in normal operating cycle



- ii. It is held primarily for the purpose of trading
- iii. It is due to be settled within twelve months after the reporting period, or
- iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

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

2.3. Use of Estimates

The preparation of the financial statements is in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements

2.4. Property, Plant and Equipment (PPE)

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

An item of property, plant and equipment and any significant part initially recognised is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the Statement of Profit or Loss when the asset is derecognized.

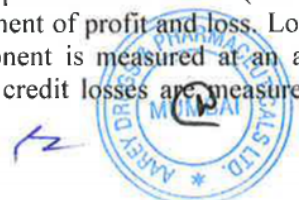
2.5. Intangible Assets

Intangible assets are stated at acquisition cost and other cost incurred, which is attributable to preparing the asset for its intended use, less accumulated amortization and accumulated impairment losses, if any. The cost of intangible assets acquired in a business combination is recorded at fair value on the date of acquisition. Intangible assets are amortised on straight line basis over their estimated useful economic life not exceeding ten years. An item of Intangible Asset is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the Statement of Profit or Loss when the asset is derecognized. The residual values, useful lives and methods of amortisation of Intangible Assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.6. Impairment of Assets

i. Financial Assets

The Company recognizes loss allowances using the expected credit losses (ECL) model for the financial assets which are not fair valued through statement of profit and loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount



equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in such case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in statement of profit and loss.

ii. Non-Financial Assets

Intangible Assets and Property, Plant and Equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognised for the asset in prior years.

iii. Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.

2.7. Financial Instruments

i. Investments and other financial assets

Initial recognition and measurement

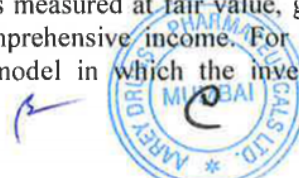
The Company recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

Subsequent measurement

For purposes of subsequent measurement, the Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For



investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Equity investments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses for an equity investments, that is not held for trading, in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Derecognition

A financial asset is derecognised only when:

- the rights to receive cash flows from the asset have expired, or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows to one or more recipient

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Offsetting Financial instruments

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

ii. Financial Liabilities

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:



Borrowings: Borrowings are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the statement of profit and loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates. They are subject to confirmation and reconciliation and consequential adjustments, if any.

Trade and other payable: These amounts represent obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. They are subject to confirmation and reconciliation and consequential adjustments, if any.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

iii. Share Capital

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

2.8. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amount disclosed as revenue are inclusive of duty and net of discounts, returns and value added taxes and amount collected on behalf of third party. The Company recognizes revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met, as described below.

Revenue from sales of goods

Revenue from sale of goods is recognized when all the following conditions have been satisfied:

- i. The company has transferred to the buyer the significant risks and rewards of the ownership of the goods;
- ii. The company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- iii. The amount of revenue can be measured reliably;
- iv. It is probable that the economic benefits associated with the transaction will flow to the company; and
- v. The cost incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from Contract Income

Revenue from construction contracts is recognized by reference to the stage of completion of the construction activity as on Balance Sheet date, as measured by the proportion that contract cost incurred for work performed to date bear to the estimated total contract cost.

Where the outcome of the construction cannot be estimated reliably, revenue is recognized to the extent of the construction cost incurred if it is probable that they will be recoverable in the case of the contract



defined with mile stones and assigned price for each mile stone, it recognize the revenue on transfer of significant risks and rewards which coincides with achievement of mile stone and its acceptance by the customers.

Provision is made for all losses incurred to the balance sheet date. Any further losses which are foreseen in bringing contracts to completion are also recognized.

Contract Revenue earned in excess of billing has been reflected in other current Assets and Billing in excess of contract revenue has been reflected under Current Liabilities in the Balance Sheet.

Other Revenue is recognized as follow:

i. Finance Income:

Finance income is recognised as it accrues using the Effective Interest Rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payment or receipts over the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Finance income is included in other income in the profit & Loss Account.

ii. Dividend

Dividends are recognized in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

2.9. Inventories

Traded Goods and finished goods have been valued at lower of cost and net realizable value (NRV). The cost shall comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw materials, consumable stores and spares are valued at cost price. The cost shall comprise all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

Work in progress are valued at lower of cost and NRV have been valued at lower of cost and net realisable value. The cost of Work in progress shall comprise all costs incurred for production upto 31st March 2026.

The company uses Weighted average basis for valuation of stock of finished goods and traded goods and FIFO basis for valuation of Raw materials.

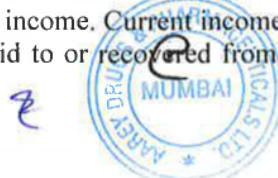
NRV is the estimated selling price in the ordinary course of business less the estimated cost of completion and estimated cost necessary to make the sale.

2.10. Cash and Cash equivalents

Cash and cash equivalents include cash at bank and in hand and deposits held at call with banks. For the purpose of the cash flows statements, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.11. Income Tax

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities,



using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to setoff the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

2.12. Employee Benefit Expense

Short-term / long term obligations

All employee benefits payable wholly within twelve months of rendering the service including performance incentives and compensated absences are classified as short term employee benefits. The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are charged off to the Statement of Profit and Loss/ Capital Work-in-Progress, as applicable. The employee benefits which are not expected to occur within twelve months are classified as long term benefits and are recognised as liability at the net present value.

Defined contribution plan

Contributions to defined contribution schemes such as provident fund, Employees State Insurance and Pension Plans are charged off to the Statement of Profit and Loss/ Capitals, as applicable, during the year in which the employee renders the related service.

2.13. Provisions, contingent liabilities and contingent assets

Provision

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities

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

The Company has various tax litigations for various years pending before various authorities under Income Tax and GST, the outcome of which are material but not practicable for the Company to estimate the timings of cash outflows



The details of outstanding demands disclosed as contingent liabilities are as follows:

Name of the Statute	Nature of dues under section	Amount	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	272A(1)(d)	70,000	AY 2021-22	Not Applicable (Appeal not yet filed)
Income Tax Act, 1961	272A(1)(d)	40,000	AY 2020-21	Not Applicable (Appeal not yet filed)
Income Tax Act, 1961	143(1)(a)	77,74,140	AY 2025-26	Not Applicable (Appeal not yet filed)
Goods and service Tax Act, 2017	Demand Order u/s 73	6,17,10,073	FY 2017-18	GST Appellate Tribunal
Goods and service Tax Act, 2017	Demand Order u/s 73	1,81,21,609	FY 2018-19	GST Appellate Tribunal
Goods and service Tax Act, 2017	Demand Order u/s 73	8,80,589	FY 2019-20	Joint Commissioner of State Tax
Goods and service Tax Act, 2017	Demand Order u/s 73	11,00,359	FY 2020-21	Joint Commissioner of State Tax
Goods and service Tax Act, 2017	Demand Order u/s 73	7,70,047	FY 2021-22	Joint Commissioner of State Tax
Goods and service Tax Act, 2017	Demand Order u/s 73	26,98,277	FY 2018-19	Joint Commissioner of State Tax
Goods and service Tax Act, 2017	Demand Order u/s 73	9,46,177	FY 2017-18	Joint Commissioner of State Tax
Goods and service Tax Act, 2017	Demand Order u/s 73	40,62,269	FY 2020-21	Joint Commissioner of State Tax



Maharashtra Value Added Tax Act, 2002	Order u/s 26	42,92,536/-	FY 2014-15	Joint Commissioner of State Tax
Maharashtra Value Added Tax Act, 2002	Order u/s 26	34,39,215/-	FY 2007-08	Appeal Filed with Maharashtra State Tribunal

Contingent Assets

Contingent assets is disclosed where an inflow of economic benefit is probable.

2.14. Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.15. Cash Flow statement

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

2.16. Foreign Currency Transactions

Functional Currency

Financial statements of the Company are presented in Indian Rupees (Rs.), which is also the functional currency.

Transactions and Translations

in a foreign currency and measured at fair value are translated at the Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction. Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. The monetary items such as debtors and creditors are valued at closing rate on 31st March 2026.

2.17. Leases

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower



of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on

remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

A leased asset is depreciated on a straight-line basis over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset or the lease term.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as Operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

The accompanying notes are an integral part of the financial statements.

For Motilal & Associates LLP.
(a member firm of MARCKS Network)
Chartered Accountants
ICAI FRN : 106584W/W100751

For and on Behalf of the Board of Directors
For Aarey Drugs And Pharmaceuticals Limited
CIN: L99999MH1990PLC056538



CA Motilal Jain
Partner
Membership. No. 036811



Mihir Rajesh Ghatalia
Managing Director
DIN: 00581005



Nimit R. Ghatalia
Director
DIN: 07069841

Place : Mumbai
Date : 30th May 2026



Aarey Drugs and Pharmaceuticals Limited

CIN : L99999MH1990PLC056538

Balance Sheet as at 31st March 2026

(₹ in lakhs)

Particulars	Note No.	As at 31st March, 2026	As at 31st March, 2025
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	3	1,766.26	1,622.06
(b) Capital work-in-progress	3	811.58	-
(c) Investment Property		-	-
(d) Goodwill		-	-
(e) Other Intangible assets		-	-
(f) Intangible assets under development		-	-
(g) Biological Assets other than bearer plants		-	-
(b) Financial Assets			
(i) Investments	4	211.50	211.50
(ii) Loans and Advances	5	-	97.50
(iii) Other financial assets	6	641.10	567.23
Current assets			
(a) Inventories	7	4,153.62	4,548.03
(b) Financial Assets			
(i) Trade receivables	8	12,965.47	13,346.37
(ii) Cash and cash equivalents	9	139.86	147.33
(iii) Loans and Advances	10	2,060.45	2,956.06
(iv) Other financial assets	11	199.94	175.61
(c) Other current assets	12	6,774.88	5,387.52
Total Assets		29,724.67	29,059.20
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	13	2,845.43	2,845.43
(b) Other Equity	14	11,820.39	10,751.12
(c) Share application money pending allotment	14	376.50	251.50
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	97.40	198.66
(b) Deferred tax liabilities (Net)	16	77.29	91.88
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	4,898.76	3,286.94
(ii) Trade Payables:-			
Total outstanding dues of micro enterprises and small enterprises			
Total outstanding dues of creditors other than micro enterprises and small enterprises	18	8,158.90	10,254.07
(iii) Other financial liabilities	19	0.10	0.47
(b) Other current liabilities	20	1,078.71	966.38
(c) Provisions	21	211.94	272.56
(d) Current Tax Liabilities (Net)	22	159.25	140.19
Total Equity and Liabilities		29,724.67	29,059.20

See accompanying notes forming Part of Financial Statement

For Motilal & Associates LLP

(a member firm of MARCKS Network)

Chartered Accountants

ICAI FRN: 106584W/W100751

CA Motilal Jain

Partner

Membership No. 036811

Date : 30th May 2026

Place : Mumbai

On behalf of the Board,

For Aarey Drugs and Pharmaceuticals Limited

(CIN : L99999MH1990PLC056538)

Mihir R Ghatalia

Managing Director

DIN: 00581005

Mira M Ghatalia

CFO

Nimit R Ghatalia

Director

DIN: 07069841

Kailash Chand Jethlia

CS

Aarey Drugs and Pharmaceuticals Limited
CIN : L99999MH1990PLC056538
Statement of Profit and Loss for the year ended 31st March 2026

(₹ in lakhs)

Particulars	Note No.	As at 31st March 2026	As at 31st March 2025
Revenue From operations	23	47,226.90	47,394.33
Other Income	24	609.71	981.24
Total Income		47,836.61	48,375.57
Expenses			
Cost of materials consumed		-	-
Purchases of Stock-in-Trade	25	45,056.29	47,286.57
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	26	394.41	(1,080.45)
Employee benefits expense	27	75.90	80.55
Finance costs	28	500.18	466.44
Depreciation and amortization expenses		285.30	194.49
Other expenses	29	983.12	817.78
Total expenses		47,295.19	47,765.38
Profit/(loss) before exceptional items and tax		541.42	610.19
Exceptional Items		-	-
Profit/ (loss) before exceptions items and tax		541.42	610.19
Tax Expenses			
Short/(excess) provision for earlier years	22.1	-	50.67
Current Tax	22	159.25	140.19
Deferred Tax	16	(14.59)	16.94
Profit (Loss) for the period from continuing operations		396.76	402.39
Profit/(loss) from discontinued operations		-	-
Tax expenses of discontinued operations		-	-
Profit/(loss) from Discontinued operations (after tax)		-	-
Profit/(loss) for the period		396.76	402.39
Other Comprehensive Income			
Items that will not be reclassified to profit or loss		-	-
Income tax relating to items that will not be reclassified to profit or loss		-	-
Items that will be reclassified to profit or loss		-	-
Income tax relating to items that will be reclassified to profit or loss		-	-
Total Comprehensive Income for the period Comprising Profit (Loss) and Other comprehensive Income for the period		396.76	402.39
Earnings per equity share (for discontinued operation)			
Basic			
Diluted			
Earning per equity share (for discontinued & continuing operation)			
Basic		1.39	1.41
Diluted		1.39	1.41

See accompanying notes forming Part of Financial Statement

For Motilal & Associates LLP

(a member firm of M A R C K S Network)

Chartered Accountants

ICAI FRN: 106584W/W100751

[Signature]

CA Motilal Jain

Partner

Membership No. 036811

Date : 30th May 2026

Place : Mumbai



On behalf of the Board,

For Aarey Drugs and Pharmaceuticals Limited

(CIN : L99999MH1990PLC056538)

[Signature]

Mihir R Ghatalia

Managing Director

DIN: 00581005

Nimit R Ghatalia

Director

DIN: 07069841

[Signature]

Mira M Ghatalia

CFO

[Signature]

Kailash Chand Jethlia

CS

AAREY DRUGS & PHARMACEUTICALS LIMITED
CIN : L99999MH1990PLC056538
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2026

(₹ in lakhs)

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
A. Cash Flow from Operating Activities		
Net profit before Tax as per Profit & Loss Account	541.42	610.19
Adjusted for:		
Deferred Tax		
Depreciation	285.30	194.49
Finance Cost	500.18	466.44
Operating Profit before Working Capital Changes	1,326.90	1,271.11
Adjusted for:		
(Increase)/ Decrease in Inventories	394.41	(1,080.45)
(Increase)/ Decrease in Trade receivables	380.89	5,099.63
(Increase)/ Decrease in Current Loans and advances	895.61	(1,404.64)
(Increase)/ Decrease in Other Current assets	(1,387.36)	(884.59)
Increase/ (Decrease) in Other financial assets	(24.33)	(46.07)
Increase/ (Decrease) in Provisions	(60.62)	(1.43)
Increase/ (Decrease) in current tax liabilities	19.06	7.69
Increase/ (Decrease) in Trade Payables	(2,095.17)	(2,640.23)
Increase/ (Decrease) in Short Term Borrowings	1,611.82	474.15
Increase/ (Decrease) in Other Current Liabilities	112.33	425.74
Increase/ (Decrease) in Other financial liabilities	(0.37)	(0.005)
	1,173.16	1,220.90
Less: Taxes Paid	159.24	190.86
Cash Flow from Operating Activities (A)	1,013.92	1,030.04
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(1,241.08)	(520.44)
FD with Banks	-	-
Sale of F.A.	-	-
Maturity of deposits	-	-
Investment in shares	-	(73.50)
Statutory deposits made	-	-
Net Cash used in Investing Activities (B)	(1,241.08)	(593.94)
C. Cash Flow from Financing Activities		
Issue of Equity share Capital		
Repayment/Received of long term loans & advances	97.50	(27.00)
Deposits made	(73.87)	(1.09)
Repayment Received of long term loans & advances	(101.26)	(123.78)
Preferential issue of equity shares	-	40.00
Finance Cost	(500.18)	(466.44)
Money received against share warrant pending allotment	125.00	5.00
Security Premium on Issue of Shares	672.50	125.10
Net Cash used In Financing Activities (C)	219.69	(448.21)
Net Increase/(Decrease) in Cash and Cash Equivalents (A + B + C)	(7.46)	(12.11)
Opening Balance of Cash and Cash Equivalents	147.33	159.44
Closing Balance of Cash and Cash Equivalents	139.86	147.33

Notes:

- The above Cash flow Statement has been prepared under the "Indirect Method" set out in Ind AS-7 on Statement of Cash flow.
- Previous year figures have been reclassified to confirm with current Year's presentation, wherever applicable.
- This is the cashflows Statement referred to in our report of even date.

For Motilal & Associates LLP
(a member firm of M A R C K S Network)
Chartered Accountants
ICAI FRN: 106584W/W100751

M. Y. Jain
CA Motilal Jain
Partner
Membership No. 036811
Date : 30th May 2026
Place : Mumbai



On behalf of the Board,
For Aarey Drugs and Pharmaceuticals Limited
(CIN : L99999MH1990PLC056538)

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Kailash Chand Jethlia
CFO

Statement of Changes in Equity for the year ended 31 March 2026

Equity Share Capital

For the year ended 31 March 2026

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
284,543,030.00	-	-	-	284,543,030.00

For the year ended 31 March 2025

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
280,543,030.00	-	280,543,030.00	4,000,000.00	284,543,030.00

←



Note 3

Property, Plant and Equipment

Particulars	Land	Buildings	Plant and Equipment	Furniture and Fixtures	Computer	Electronic Equipments	Laboratory Equipment	Cell Phones	Motor car	Office Premises and Air Condition	Total
Gross Carrying Amount 1 April 2025											
Opening Gross Carrying Amount	37.93	370.19	3,275.12	77.35	13.70	14.73	1.48	5.38	22.46	91.31	3,909.66
Additions	-	223.89	187.93	15.66	0.79	0.49	0.34	0.67	-	-	429.79
Disposals	-	-	0.29	-	-	-	-	-	-	-	0.29
Acquisitions through business combinations	-	-	-	-	-	-	-	-	-	-	-
Amount of change due to revaluation	-	-	-	-	-	-	-	-	-	-	-
Deductions	-	-	-	-	-	-	-	-	-	-	-
Closing gross carrying amount 31st March 2026	37.93	594.08	3,462.77	93.01	14.49	15.22	1.82	6.05	22.46	91.31	4,339.16
Accumulated Depreciation											
Opening Accumulated Depreciation	2.27	262.89	1,849.01	35.46	13.20	12.11	1.36	1.95	21.19	88.15	2,287.59
Depreciation charged during the year	-	21.35	266.88	13.28	0.36	0.80	0.06	0.68	0.40	1.50	285.30
Closing Accumulated Depreciation	2.27	284.24	2,115.89	48.73	13.56	12.92	1.42	2.63	21.59	89.65	2,572.89
Net carrying amount 31 March 2026	35.66	309.85	1,346.88	44.28	0.93	2.31	0.40	3.42	0.87	1.67	1,766.26
Net carrying amount 31 March 2025	35.66	37.18	1,014.53	4.19	0.27	2.62	0.12	2.86	1.26	2.94	1,101.63

Note 3

Capital Work in progress

Particulars	Amount
Opening	-
Addition during the year	812
Capitalized	-
Closing	812

3.1 NOTES

- a) The Company has acquired certain items of Plant and Machinery during the year, which as at 31 March 2026 were not in the location and condition necessary for their intended use. Accordingly, these assets continue to be included under Capital Work-in-progress (CWIP), and no depreciation has been charged on them during the year. Depreciation on these assets will commence from the date on which they are available for use.
- b) During the year the Company has not revalued its Property, Plant and equipment



Aarey Drugs and Pharmaceuticals Limited

Schedule forming part of Balance Sheet as at 31st March, 2026

Note 4 : Investments

(₹ in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Investments in equity shares measured at Cost		
Unquoted, fully paid up		
Transmedia Software Ltd shares of Rs.10 each	40.00	40.00
	40.00	40.00
Quoted, fully paid up		
Worth Investment Ltd shares of RS.1.72 each	171.50	171.50
	171.50	171.50
Total of Investments measured at Cost	211.50	211.50

Note 5 : Loans (Non - Current assets)

Particulars	As at 31st March, 2026	As at 31st March, 2025
loans to related parties	-	0.36
loans to other parties	-	97.14
Total	-	97.50

5.1	Particulars	As at 31st March, 2026	As at 31st March, 2025
	(a) Loans Receivables considered good - Secured	-	-
	(b) Loans Receivables considered good - Unsecured	-	97.50
	(c) Loans Receivables which have significant increase in Credit Risk	-	-
	(d) Loans Receivables - credit impaired	-	-
	Total	-	97.50

5.2 Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are :

(a) Repayable on demand or

(b) without specifying any terms or period of repayment

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Directors	-	-

Note 6 : Other financial assets

Particulars	As at 31st March, 2026	As at 31st March, 2025
Security Deposits	39.16	52.16
Bank deposits with more than 12 months maturity	87.72	0.84
Statutory Deposits	514.23	514.23
Total	641.10	567.23

Note 7 : Inventories

Particulars	As at 31st March, 2026	As at 31st March, 2025
Raw materials	391.57	1,640.62
Work-in-progress	885.00	80.15
Finished goods	1,204.09	625.64
Stock-in-trade (in respect of goods acquired for trading)	1,672.95	2,201.62
Stores and spares	-	-
Loose tools; and	-	-
Others	-	-
Total	4,153.62	4,548.03

Note : The raw materials have been valued on FIFO basis and stock-in-trade and finished goods have been valued on weighted average basis

Note 8 : Trade Receivables

Particulars	As at 31st March, 2026	As at 31st March, 2025
Trade Receivables	12,965.47	13,346.37
Provisions for Expected credit loss	-	-
Total	12,965.47	13,346.37

Note: The Company does not expects any credit loss based on the past experience hence provision for expected credit loss is not made.



8.1	Particulars	As at 31st March, 2026	As at 31st March, 2025
	Trade Receivables considered good - Secured	-	-
	Trade Receivables considered good - Unsecured	12,965.47	13,346.37
	Trade Receivables which have significant increase in Credit	-	-
	Trade Receivables - credit impaired.	-	-
	Total	12,965.47	13,346.37

Trade Receivables ageing schedule

	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables — considered good	12,798.05	129.27	38.15	-	-	12,965.47

Note 9 : Cash and Cash Equivalents

9	Particulars	As at 31st March, 2026	As at 31st March, 2025
	Cash Balance	138.88	147.05
	Bank balance with current a/c	0.98	0.27
	Total	139.86	147.33

Note 10 : Loans (Current assets)

	Particulars	As at 31st March, 2026	As at 31st March, 2025
	Loans to related parties	1,451.91	1,589.03
	Other parties	608.53	1,367.03
	Total	2,060.45	2,956.06

10.1	Particulars	As at 31st March, 2026	As at 31st March, 2025
	Loans Receivables considered good - Secured	-	-
	Loans Receivables considered good - Unsecured	2,060.45	2,956.06
	Loans Receivables which have significant increase in Credit	-	-
	Loans Receivables - credit impaired.	-	-
	Total	2,060.45	2,956.06

Note 11 : Other current financial assets

	Particulars	As at 31st March, 2026	As at 31st March, 2025
	Fixed Deposits	199.94	175.61
	Total	199.94	175.61

Note 12 : Other Current Assets

	Particulars	As at 31st March, 2026	As at 31st March, 2025
	Advance to suppliers for Goods	5,024.84	2,620.58
	Advance towards Expenses	963.40	2,226.46
	Preferential Shares Receivable	37.80	37.80
	Misc Expenditure not yet written off	2.65	2.65
	Gst Paid under Protest	289.34	37.01
	MVAT Refundable	0.61	0.61
	Income tax Paid under protest (Appeal Deposit)	242.39	242.37
	The Commissioner of Customs	2.83	2.83
	DEPB- duty entitlement	0.96	0.96
	Sales Tax- Paid	138.20	138.20
	Excise/Custom Duty Receivable	2.72	2.72
	TDS/TCS receivable	69.16	75.34
	Total	6,774.88	5,387.52



Note 13 Equity Share Capital

(Rs. in lakhs)

Particulars	As at 31 March 2026		As at 31 March 2025	
	No of Shares	Amount	No of Shares	Amount
Authorised Share Capital : 35,500,000 (P.Y. 35,500,000) Equity Shares of Rs. 10/- each	355.00	3,550.00	355.00	3,550.00
Issued, subscribed and fully paid, and subscribed but not fully paid; 2,84,54,303 Equity Shares of Rs. 10/- each fully paid up	284.54	2,845.43	284.54	2,845.43

Terms / Rights attached to equity shares

The Company has only one class of equity share having par value of Rs 10 per share. Each holder of equity share is entitled to one vote per share held. All the equity shares rank pari passu in all respects including but not limited to entitlement for dividend, bonus issue and rights issue. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all liabilities in proportion to their shareholding.

Note : Company had intended to allot 1,00,000 equity shares to Watco Chennai in FY 2023-24 ; however, such shares were ultimately not allotted to Watco Chennai . Instead, the said shares were allotted to Ms. Bina Gatalia a Director of the Company

Details of shareholders having more than 5% of the total equity shares of the Company

Class of shares/Name of shareholder	As at 31st March 2026		As at 31st March 2025	
	No of Shares	% Held	No of Shares	% Held
Mihir Rajesh Ghatalia	2,835,888.00	10.00	2,835,388.00	9.96
Suraj Tradelinks Private Limited	-	-	2,010,000.00	7.06
Nimit Impex Private Limited	2,010,000.00	7.09	2,010,000.00	7.06
Bina Rajesh Ghatalia	4,003,584.00	14.12	4,103,584.00	14.42
Total	8,849,472.00	31.21	10,958,972.00	38.51

A reconciliation of the number of shares outstanding at the beginning and at the end of the period;

Particulars	As at 31st March 2026		As at 31st March 2025	
	No of Shares	Amount	No of Shares	Amount
Outstanding at the beginning of the year	28,454,303.00	284,543,030.00	28,054,303.00	280,543,030.00
Less: Previous year	-	-	-	-
Add: Fresh Issue	-	-	400,000.00	4,000,000.00
Add: Bonus Issue	-	-	-	-
Add: Right Issue	-	-	-	-
Outstanding at the end of the year	28,454,303.00	284,543,030.00	28,454,303.00	284,543,030.00

Details of Shareholding of Promoters and Promoter Group

Sl No	Promoter Name	No. of Shares	% of total shares	% Change during the year
1	Bina Rajesh Ghatalia	4,003,584.00	14.12%	-
2	Mihir Rajesh Ghatalia	2,835,888.00	10.00%	-
3	Nimit Rajesh Ghatalia	1,150,000.00	4.06%	-
4	Mira Mihir Ghatalia	690,000.00	2.43%	-
5	Rajesh Prantal Ghatalia	2,971.00	0.01%	-
6	Nimit Impex Private Limited	2,010,000.00	7.09%	-
7	Suraj Tradelinks Private Limited	-	0.00%	-



Note 14 Other Equity
For the year ended 31st March 2026

Particulars	Share application money pending allotment	Reserves and Surplus				Total
		Capital Total Reserve	Securities Premium	Other Reserves (specify nature)	Retained Earnings	
Balance at the beginning of the current reporting period	251.50	20.00	5,017.92	-	5,713.21	10,751
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-
Total Comprehensive Income for the current year	251.50	20.00	5,017.92	-	5,713.21	11,002.63
Dividends	-	-	-	-	-	-
Money received on account of share warrants	125.00	-	672.50	-	-	797.50
Transfer to retained earnings	-	-	-	-	396.76	396.76
Security premium on Preferential allotment done during the year	-	-	-	-	-	-
Balance at the end of the current reporting period	376.50	20.00	5,690.42	-	6,109.97	11,820.39

Other Equity

For the year ended 31st March 2025

Particulars	Share application money pending allotment	Reserves and Surplus				Total
		Capital Total Reserve	Securities Premium	Other Reserves (specify nature)	Retained Earnings	
Balance at the beginning of the current reporting period	246.50	20.00	4,892.82	-	5,310.81	10,470.13
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-
Total Comprehensive Income for the current year	246.50	20.00	4,892.82	-	5,310.81	10,470.13
Dividends	-	-	-	-	-	-
Money received on account of share warrants	5.00	-	125.10	-	-	130.10
Transfer to retained earnings	-	-	-	-	402.39	402.39
Security premium on Preferential allotment done during the year	-	-	-	-	-	-
Balance at the end of the current reporting period	251.50	20.00	5,017.92	-	5,713.20	10,751.12

Notes

1. The Company has allotted 400000 shares of Rs. 10 each @ Rs. 37.8 each on preferential basis.



Note 15 : Long term Borrowings

(₹ in lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Loan from Banks		
Additional Working Capital Term Loan (Secured with first charge on asset financed under the scheme having term of 4 years with 1 Year Moratorium Period and principal to be repaid in 36 equal monthly installments .Maximum Interest rate is 7.5% Per annum).		44.27
Working capital Term Loan (Secured with first charge on assets financed under the scheme and second charge with existing facilities in terms of cash flows and securities Having Maximum interest rate 9.25 % with moratorium period of 2 years and Principal to be repaid in 36 equal monthly installments after the moratorium period)	97.40	154.39
Total	97.40	198.66

Note 16 : Deferred tax liabilities (Net)

Particulars	As at 31 March 2026	As at 31 March 2025
Closing WDV as per Companies Act	1766.26	1,622.06
Closing WDV as per Income tax Act	1,468.96	1,268.69
Difference	297.31	353.37
Tax @ 26%	77.30	91.88
Opening Deferred Tax Liabilities	91.88	74.94
Add: Amount to be provided during the year	(14.59)	16.94
Closing Deferred Tax Liabilities	77.29	91.88

Note 17 :Short term Borrowings

Particulars	As at 31 March 2026	As at 31 March 2025
Borrowings		
Loans repayable on demand from bank	4,762.13	3,174.23
Loans from related parties	4.90	-
Margin Money	4.21	4.21
Loans from other parties	127.52	108.50
Total	4,898.76	3,286.94

17.1 Details regarding secured and unsecured loans

Particulars	As at 31 March 2026	As at 31 March 2025
Cash credit account (Hypothecation of stock of raw materials, WIP, Finished goods, Stores and spares , Packing Materials, Plant and Machinery and Book Debts) , Interest rate of 9.90%		
Collateral securities	4,767.03	3,372.89
1) Residential flat owned by Bina Ghatalia (relative of director)		
2) Plant and machineries including equipments and building		
3) Land and storage tanks owned by Enam Organics Ltd in Thane		
Margin money with banks	4.21	4.21
Secured demand loan (exclusive hypothecation of entire current assets including stock and debtors)		
Collateral securities		
1) Personal Guarantee of Bina Ghatalia (Relative of Director)		
2) Plant and machineries including equipments and building		
3) Land and storage tanks owned by Enam Organics Ltd in Thane		



Cash Credit account (Hypothecation of stock of raw materials, WIP, Finished goods, Stores and spares, Packing Materials, Plant and Machinery and Book Debts) interest rate of 10.30%		
Collateral securities		
1) Personal Guarantee of Bina Ghatalia (Relative of Director)		
2) Personal Guarantee of Mihir Ghatalia (Managing Director)		
3) Factory Building		
4) Personal Guarantee of Nimit Ghatalia (Director)		
Secured Loans Total	4,771.24	3,377.10
Saraf chemicals	103.60	103.60
WORTH INVESTMENT & TRDG CO.	-	-
Aarey Pharma Park PVT LTD.	4.90	4.90
Unsecured loans Total	108.50	108.50
TOTAL	4,879.73	3,485.60

Note 18 : Trade Payables

Particulars	As at 31 March 2026	As at 31 March 2025
Total outstanding dues of micro enterprises and small enterprises	18.31	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	8,140.59	10,254.07
Total	8,158.90	10,254.07

Trade Payables ageing schedule

	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3	More than 3 years	Total
i) MSME	18.31	-	-	-	18.31
ii) Others	8,124.04	16.55	-	-	8,140.59
iii) Disputed Dues- MSME	-	-	-	-	-
iv) Disputed Dues- Others	-	-	-	-	-

Unbilled dues shall be disclosed separately

Note: Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006

The following disclosure is made as per the requirement under The Micro, Small and Medium Enterprises Development Act, 2016 ("MSMED Act")

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Principal amount remaining unpaid to any supplier at the year end	18.31	-
(b) Interest due thereon remaining unpaid to any supplier at the year end	-	-
(c) Amount of interest paid and payments made to the supplier beyond the appointed day during the year	-	-
(d) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
(e) Amount of interest accrued and remaining unpaid at the year end	-	-
(f) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-
	18.31	-

The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the MSMED Act. This has been relied upon by the auditors.

Note 19 : Other financial liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Interest accrued	-	-
Dividend Payable	0.10	0.47
Application money received for allotment of securities to the extent refundable and interest accrued thereon:	-	-
Unpaid matured deposits and interest accrued thereon;	-	-
Unpaid matured debentures and interest accrued thereon; and	-	-
Long term debt is a borrowing having a period of more than twelve months at the time of origination	-	-
Total	0.10	0.47

Note 20 : Other current liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
IGST Payable	-	4,211.65
SGST Receivable	(5.01)	(1,397.42)
CGST Receivable	(4.99)	(1,397.43)
TDS/TCS Payable	89.54	56.41
Employees Profession Tax	0.09	0.36
GST Payable	-	(5.40)
GST -Maharashtra	-	(280.16)
GST -Gujarat	-	(37.98)
ESIC payable	-	-
PF Payable	4.01	5.10
IGST -Import duty	-	(1,451.32)
SBI LC LIEN	833.16	869.30
Advances from Debtors	161.91	393.27
Total	1,078.71	966.38

Note 21 : Provisions

Particulars	As at 31 March 2026	As at 31 March 2025
Provision for expenses	16.04	20.29
Provision for income tax	195.91	201.60
Total	211.94	221.89

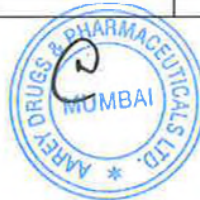
Note 22 : Current Tax Liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Provision for Income Tax	159.25	140.19
Total	159.25	140.19

Note 22.1 : Short/(excess) provision for earlier years

Particulars	As at 31 March 2026	As at 31 March 2025
Short provision for FY 23-24	-	50.67
Total	-	50.67

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Aarey Drugs and Pharmaceuticals Limited

Schedule forming part of Profit & Loss Account for the year ended 31 March 2026

Note No

(₹ in lakhs)

23 Revenue from operations

Sr No.	Particulars	As at 31 March 2026	As at 31 March 2025
	Sale of goods	47,226.90	47,394.33
	TOTAL	47,226.90	47,394.33

24 Other income

Sr No.	Particulars	As at 31 March 2026	As at 31 March 2025
1	Interest Income against trade advances	454.00	552.26
2	Interest on late payment	0.03	0.22
3	Interest from bank	8.79	7.89
4	Storage income	145.92	0.25
5	Discount Income	-	344.25
6	Foreign exchange Gain	0.54	10.30
7	Technical fees	0.25	66.00
8	Interest on Employer's Loan	0.18	0.06
	TOTAL	609.71	981.24

25 Purchases of Stock-in-Trade

Sr No.	Particulars	As at 31 March 2026	As at 31 March 2025
1	Purchases	44,334.09	46,466.26
2	Direct expenses	722.20	820.31
	TOTAL	45,056.29	47,286.57

Note: The Purchases include both the Purchases for raw material and Traded Goods

26 Changes in inventories of finished goods, Stock-in -Trade and work in-progress

Sr No.	Particulars	As at 31 March 2026	As at 31 March 2025
1	Closing of finished goods	1,204.09	625.64
2	Closing of stock-in-trade	1,672.95	2,201.62
3	Closing of work-in-progress	885.00	80.15
4	Closing stock of material	391.57	1,640.62
	Total	4,153.62	4,548.03
5	Opening of finished goods	625.64	521.78
6	Opening of stock-in-trade	2,201.62	1,795.45
7	Opening of work-in-progress	80.15	80.57
8	Opening stock of material	1,640.62	1,069.78
9	Others	-	-
	Total	4,548.03	3,467.57
	TOTAL	394.41	(1,080.45)

27 Employee Benefits Expenses

Sr No.	Particulars	As at 31 March 2026	As at 31 March 2025
	Salaries and Wages	46.51	51.05
	Director Remuneration	9.00	9.00
	Directors perquisites	11.07	9.46
	Workmens and Staff Welfare Expenses	4.84	4.68
	Bonus	1.42	1.74
	Medical expenses	0.77	2.68
	Employer Contribution to ESIC	1.33	1.03
	Gratuity	-	0.21
	Advance salary	-	(0.03)
	PF admin Charges	0.96	0.73
	TOTAL	75.90	80.55

28 Finance Costs

Sr No.	Particulars	As at 31 March 2026	As at 31 March 2025
	Processing charges	37.50	64.74
	Bank Charges	3.92	13.47
	Bank inspection charges	-	-
	LC discounting charges	29.43	34.05
	Interest on Cash credit	363.31	332.46
	Interest on other loans	66.01	21.72
	TOTAL	500.18	466.44



29 Other Expenses

Sr No.	Particulars	As at 31 March 2026	As at 31 March 2025
Indirect Expenses			
	Cancellation of order	-	0.31
	VAT paid Gujarat Exp	-	1.30
	Other Expenses	0.13	3.58
	Technical Service	2.06	1.92
	MPCB Charges	-	0.16
	Professional Fees	6.90	11.46
	Advertisement	0.16	0.24
	Audit Fees (Refer note 30.1)	2.50	1.83
	Commission and Brokerage	367.62	188.45
	Listing Fees	7.10	4.58
	Warehouse Charges	3.52	3.28
	Postage & Courier	6.61	3.99
	Transportation Charges	123.48	146.19
	Notary/ Franking & Stamp Paper Charges	0.04	0.24
	Office Rent	53.23	53.23
	Air Conditioner Expenses	-	0.05
	Electricity expenses	1.69	5.00
	Computer Expenses	1.06	0.13
	Foreign exchange loss	-	5.51
	Telephone Expenses	0.82	0.68
	Discount Exp	0.96	0.16
	CSR Expenses	-	-
	Custodial fees	3.70	6.95
	Legal & Professional Charges	25.05	41.22
	Certification charges	0.30	0.68
	Fees, license & subscription	1.11	15.95
	E-Voting charges	-	-
	Motor car expenses	2.40	6.69
	Printing & Stationary Exps.	1.11	1.36
	Insurance expenses	11.23	8.32
	Donation	0.20	0.15
	RTA Expenses	2.24	3.21
	Office expenses	6.12	6.54
	Witten Back / Write Off	(0.25)	(0.09)
	Stamp Duty Expenses	-	4.95
	Storage Exp	150.04	21.62
	Excise and Custom Duty	107.22	150.83
	Import Expenses	22.14	30.79
	Export Expenses	16.51	13.53
	Clearing and Forwarding Charges	16.78	11.05
	Loading and Unloading Exp	8.31	8.27
	Cash Discount on sales	0.48	-
	PTRC	0.28	-
	Repairs & Maintainance	8.75	5.87
	Sales promotion including publicity	8.71	33.34
	Travelling Expenses	10.79	13.54
	Diwali Expenses	-	0.40
	Rent, Rates & Taxes	1.89	-
	Conveyance Expenses	0.14	0.29
	Interest on Custom Duty	0.01	-
TOTAL		983.12	817.78

30.1 Details of Payment to auditors

Particulars	As at 31 March 2026	As at 31 March 2025
Payments to the auditor as		
(a) Statutory Auditor	2.00	1.50
(b) Internal Auditor	0.50	0.33
TOTAL	2.50	1.83



Additional Regulatory Information

Note 30		Financial ratios			
Sr. No	Particulars	31st March 2026	31st March 2025	% Change	Explanations
1	Current Ratio	1.81	1.78	1.81%	-
2	Debt-Equity Ratio	0.33	0.25	31.96%	Increased due to higher borrowings during the year.
3	Debt Service Coverage Ratio	2.08	2.31	-9.78%	-
4	Inventory turnover Ratio	10.85	11.83	-8.21%	-
5	Trade Receivables turnover Ratio	3.59	2.98	20.41%	-
6	Trade payables turnover Ratio	5.13	4.09	25.27%	Increased due to quicker settlement of trade payables.
7	Net capital turnover Ratio	4.01	4.07	-1.59%	-
8	Net profit ratio	0.84%	0.85%	-1.05%	-
9	Return on Capital employed,	5.20%	6.21%	-16.31%	-
10	Return on equity	2.64%	2.91%	-9.23%	-



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Sr no.	Particulars	Numerator	Denominator
1	Current ratio		
	For calculation of current liabilities we have considered , current tax liabilities , other financial liabilities , current borrowings , current tax liabilities and for calculation of current assets we have considered inventories , financial assets and other current assets	Current assets	Current Liabilities
2	Debt-equity ratio		
	For calculation of total debt we have considered Non current Borrowings and current borrowings and for calculation of total equity we have considered Equity share capital and Other Equity	Borrowings	Total equity
3	Debt service coverage ratio		
	For calculation of Debt service coverage ratio ratio we have considered Earnings Before Interest and Tax and Finance Cost	EBIT	Finance Cost
4	Inventory Turnover ratio		
	For calculation of inventory turnover ratio we have considered average of closing stock and opening stock , revenue from operations	Turnover	Average inventory
5	Trade receivable turnover ratio		
	For calculation of trade receivable turnover ratio we have considered average of opening trade receivable and closing trade receivable revenue from operations	Turnover	Average Trade receivables
6	Trade payable turnover ratio		
	For calculation of trade payable turnover ratio we have considered average of opening trade payable and closing trade payables , revenue from operations	Turnover	Average Trade payables
7	Net capital turnover ratio		
	For calculation of net capital turnover ratio we have considered Working capital (Current assets - Current Liabilities) and revenue from operations	Turnover	Working Capital
8	Net Profit Ratio		
	For calculation of net profit ratio we have considered Profit after tax and revenue from operations	Net profit	Turnover
9	Return on capital employed		
	For calculation of return on capital employed ratio we have considered Profit after tax and revenue from operations	EBIT	Total debt + Total equity
10	Return on equity ratio		
	For calculation of return on equity ratio we have considered Profit after tax and Equity Share Capital and Other Equity	Profit after tax	Shareholders equity

Note 31

Corporate social responsibility

Particulars	Current Year (₹)	Previous Year (₹)
Gross amount required to be spent during the year	1,163,627	1,425,305
Amount spent during the year	Nil	Nil
Amount unspent at the end of the year	1,163,627	1,425,305
Amount transferred to Unspent CSR Account (for ongoing projects, if applicable)	Nil	Nil
Amount transferred to a Fund specified in Schedule VII (if any)	Nil	Nil
Balance yet to be transferred (if any)	1,163,627	1,425,305
Cumulative amount unspent as at 31 March	2,588,932	1,425,305

The Company did not incur any expenditure towards Corporate Social Responsibility (CSR) during the current and previous financial years. Accordingly, the CSR obligation of ₹11,63,626.67 (FY 2025-26) and ₹14,25,305.45 (FY 2024-25) remained unspent as at the respective balance sheet dates. The Company has not complied with the requirements of Section 135(5) of the Act.

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Note 32	<u>Details of Crypto Currency or Virtual Currency</u> The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year 2025-
Note 33	<u>MSME Dues</u> The Company has outstanding dues to Micro and Small Enterprises amounting to ₹18,30,854 as at the balance sheet date. No interest is payable or has been provided
Note 34	<u>Disclosure of transactions with struckoff companies</u> The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during
Note 35	<u>Gratuity and leave encashments</u> As certified by the Management there is no obligation in respect of gratuity and leave encashment during the year. The same is relied upon by the Auditor .
Note 36	<u>Debtors and creditors confirmations</u> Balances are relied upon as per books of accounts wherever the confirmations from debtors /creditors /Loans /Advances are not available. Debtors and Creditors Balances are subject to Confirmation. Debtors & Creditors
Note 37	<u>Unhedged foreign currency exposure</u> The company has limited foreign currency exposure hence the impact on profit and loss is immaterial .
Note 38	<u>Reclassification of Previous year figures</u> Previous year figures have been regrouped and rearranged wherever necessary to confirm with the current year
Note 39	<u>Proceedings against the Company</u> No proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016)
Note 40	<u>Wilful defaulter</u> The Company has not been declared wilful defaulter by any bank or financial institution or government or any
Note 41	<u>Utilization of Borrowed Funds</u> The Borrowed Funds from Banks and / or Financial Institutions have been utilized for the purpose for which it
Note 42	<u>Creation of Charge</u> The Company has created and registered charges with the Registrar of Companies (ROC) in respect of its borrowings, wherever applicable. As at the Balance Sheet date, one satisfaction of charge is pending for registration with the Registrar of Companies, while all other applicable creation
Note 43	<u>Intermediaries</u> The Company does not have any Intermediaries as on 31st March, 2026



Note 44 Earnings per share**(₹ in lakhs)**

Particulars	As at 31 March 2026	As at 31 March 2025
Net Profit / (loss) after tax for the year (in Rs.)	396.76	402.39
Profit / loss attributable to equity share holders (in Rs.)	396.76	402.39
Weighted Average Number of equity shares outstanding during the year	284.54	284.54
Basic and Diluted Earnings Per Share (Rs.)	1.39	1.41
Face Value per Share (Rs.)	10.00	10.00
Restated Earnings Per Share	-	-



Note 45

Financial Risk Management

(Amount in Rs.)

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and

A. Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The company is exposed to credit risk from its operating activities (primarily for trade receivables and loans) and from its financing activities (deposits with banks and other financial instruments).

Credit risk management

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

The Company's maximum exposure to credit risk as at 31 March, 2026 and 2025 is the carrying value of each class of financial assets

Trade and other receivables

Credit risk on trade receivables is limited based on past experience and management's estimate.

Ageing of trade and other receivables that were not impaired was as follows.

Carrying amount	As at 31 March 2026	As at 31 March 2025
Neither Past due nor impaired		-
Past due but not impaired	12,798.05	8563.58
Past due more than 180 days	167.42	4782.78
TOTAL	12,965.47	13,346.37

ii Cash and Cash Equivalents

The Company held cash and bank balance with credit worthy banks of Rs. 139.86 lakhs /- at 31st March, 2026 , and (Rs.147.33 lakhs /- at March 31, 2025). The credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks where credit risk is largely perceived to be extremely insignificant.

B. Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities – trade payables and borrowings.

Liquidity risk management

The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. A material and sustained shortfall in our cash flow could undermine the Company's credit rating and impair investor confidence.

The Company maintained a cautious funding strategy, with a positive cash balance throughout the year ended 31st March, 2026 and 31st March, 2025. This was the result of cash delivery from the business. Cash flow from operating activities provides the funds to service the financing of financial liabilities on a day-to-day basis. The Company's treasury department regularly monitors the rolling forecasts to ensure it has sufficient cash on-going basis to meet operational needs. Any short term surplus cash generated by the operating entities, over and above the amount required for working capital management and other operational requirements, are retained as cash and cash equivalents (to the extent required).

Maturities of non – derivative financial liabilities (Amount in Rs.)

Particulars	As at 31 March 2026		As at 31 March 2025	
	Less than 1 year	More than 1 year	Less than 1 year	More than 1 year
Financial Liabilities - Current				
i. Current Borrowings	4,898.76	-	3,286.94	-
ii. Trade payables	8,142.35	16.55	10201.18	52.89
Total	13,041.10	16.55	13,488.12	52.89

C. Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments. The Company is exposed to market risk primarily related to interest rate risk and the market value of the investments.

i Currency Risk

The functional currency of the Company is Indian Rupee. Currency risk is not material, as the Company does not have any exposure in foreign currency.

ii Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

According to the Company interest rate risk exposure is only for floating rate borrowings. Company does not have any floating rate borrowings on any of the Balance Sheet date disclosed in this financial statements.

iii Price Risk

Price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. It arises from financial assets such as investments in quoted instruments.

a) Fair value sensitivity analysis for fixed rate Instruments

The Company does not account for any fixed rate financial assets or financial liabilities at fair value through Profit or Loss. Therefore, a change in interest rates at the reporting date would not affect Profit or Loss.

b) Cash flow sensitivity analysis for variable rate Instruments

The company does not have any variable rate instrument in Financial Assets or Financial Liabilities.



Note 46 Fair value measurements (₹ in lakhs)

Financial instruments by category:

As at 31 March 2026							
Particulars	Carrying Value		Fair Value hierarchy		Level 1	Level 2	Level 3
	FVTPL	FVTOCI	Cost	Total			
Financial Assets							
(i) Investments	-	-	211.50	211.50	-	-	-
(ii) Trade Receivable	-	-	12,965.47	12,965.47	-	-	-
(iii) Cash and Cash Equivalents	-	-	139.86	139.86	-	-	-
(iv) Current and Non current Loans	-	-	2,060.45	2,060.45	-	-	-
TOTAL	-	-	15,377.28	15,377.28	-	-	-
Financial Liabilities							
(i) Current Borrowings	-	-	4,898.76	4,898.76	-	-	-
(ii) Trade Payables	-	-	8,158.90	8,158.90	-	-	-
TOTAL	-	-	13,057.66	13,057.66	-	-	-

As at 31 March 2025							
Particulars	Carrying Value		Fair Value hierarchy		Level 1	Level 2	Level 3
	FVTPL	FVTOCI	Cost	Total			
Financial Assets							
(i) Investments	-	-	211.50	211.50	-	-	-
(ii) Trade Receivable	-	-	13,346.37	13,346.37	-	-	-
(iii) Cash and Cash Equivalents	-	-	147.33	147.33	-	-	-
(iv) Current and Non current Loans	-	-	3,053.56	3,053.56	-	-	-
TOTAL	-	-	16,758.75	16,758.75	-	-	-
Financial Liabilities							
(i) Current Borrowings	-	-	3,286.94	3,286.94	-	-	-
(ii) Trade Payables	-	-	10,254.07	10,254.07	-	-	-
TOTAL	-	-	13,541.01	13,541.01	-	-	-

The carrying amounts of trade receivables, cash and bank balances, current loans, current borrowings, and trade payables are considered to be approximately equal to the fair value.

I. Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are

(a) recognised and measured at fair value and,

(b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the Indian accounting standard. An explanation of each level is as follows :

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. For example, listed equity instruments that have quoted market price.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

II. Valuation techniques used to determine fair value

Significant valuation techniques used to value financial instruments include:

Use of quoted market price or dealer quotes for similar instruments

Using discounted cash flow analysis.

The fair values computed above for assets measured at amortised cost are based on discounted cash flows using a current borrowing rate. They are classified as level 2 fair values in the fair value hierarchy due to the use of unobservable inputs.



Note 47 Related Party Transactions

Disclosure in accordance with Ind AS 24 — Related Party Disclosures during the year

A) Directors, Key Management Personnel (KMP) & relatives of KMP

Mihir R Ghatalla	Managing Director
Lalit Tulsiani	Independent Director
Anil Mandal	Independent Director
Chetan K Mehta	Independent Director
Nimit R Ghatalla	Director
Bina R Ghatalla	Director
Ekta Ghatalla	Relative of Director
Mira M Ghatalla	Relative of Managing Director and CFO
Rajesh P Ghatalla	Relative of Managing Director
Nimit Impex Pvt Ltd	Company in which directors are substantially interested
Suraj Trade Links Pvt Ltd	Company in which directors are substantially interested
Enam Organics India Ltd	Company in which directors are substantially interested
Worth Investment & Trading Co Ltd	Company in which directors are substantially interested
Mihir R Ghatalla (HUF)	HUF in which director is interested
Aarey Pharma Park Pvt Ltd	Company in which directors are substantially interested

B) Transactions with related parties

(Amount in Rs.)		
Particulars	Amount	Relationship
Anil Mandal		Director
Loan given by Company	-	
Loan repayment received by Company	-	
Bina R Ghatalla		Director
Office Rent Paid by Company	5,322,720.00	
Loan given by Company	62,062,285.00	
Loan repayment received by Company	62,062,285.00	
Chetan K Mehta		Director
Loan given by Company	-	
Loan repayment made to company	-	
Enam Organics India Ltd		Company in which directors are
Loan given by Company	427,675,300.00	
Loan repayment received by Company	498,907,340.00	
Interest Income received By the company (excluding tds)		
Mira M Ghatalla		CFO
Loans and advances given by Company	32,744,866.00	
Repayment received by Company	32,744,866.00	
Nimit R Ghatalla		Director
Loans and advances given by Company	20,051,032.03	
Repayment received by the company	20,051,032.03	
Rajesh Ghatalla		Relative of Director
Repayment made by Company	7,399,520.00	
Loan given to company	7,399,520.00	
Suraj Tradelinks Pvt Ltd		Company in which director is interested
Loans and advances given by Company	16,620,109.00	
Repayment received by the company	16,620,109.00	
Nimit Impex Pvt Ltd		Company in which director is interested
Loans and advances given by Company	7,879,907.00	
Repayment received by the company	7,879,907.00	
Worth Investment & Trading Co Ltd		Company in which director is interested
Loans and advances given by Company	269,245,433.00	
Repayment received by the company	211,818,198.00	
Interest Income received by the company (excluding TDS)		
Aarey Pharma Park Pvt Ltd		Company in which director is interested
Loans and advances taken by the company	-	
Repayment done by the company	-	
Mihir Ghatalla		Managing Director
Repayment of loans and advances given	9,026,254.00	
loans and advances given	9,026,254.00	
Ekta Ghatalla		Relative of Director
Repayment of loans and advances given	23,808,000.00	
loans and advances given	23,808,000.00	



c) **Loans Given/Taken from related parties**

(Amount in Rs.)		
Particulars	2025-26	Relationship
Mihir R Ghatalla		Managing director
Beginning of the year	-	
Loans advanced	9,026,254.00	
Loan repayment received	9,026,254.00	
Interest charged	-	
Interest received	-	
End of the year	-	
Nimit Impex Pvt Ltd		Company in which director is interested
Beginning of the year	-	
Loans advanced	7,879,907.00	
Loan repayment received	7,879,907.00	
Interest charged	-	
End of the year	-	
Sura] Tradelinks Pvt Ltd		Company in which director is interested
Beginning of the year	-	
Loans advanced	16,620,109.00	
Loan repayment received	16,620,109.00	
Interest charged	-	
End of the year	-	
Anil Mandal		Director
Beginning of the year	36,000.00	
Loans advanced	-	
Loan repayment received	-	
Interest charged	-	
Interest received	-	
End of the year	36,000.00	
Mira Ghatalla		CFO
Beginning of the year	-	
Loans advanced	32,744,866.00	
Loan repayment received	32,744,866.00	
Interest charged	-	
Interest received	-	
End of the year	-	
Bina R Ghatalla		Director
Beginning of the year	-	
Loans advanced	62,062,285.00	
Loan repayment received	62,062,285.00	
Interest charged	-	
Interest received	-	
End of the year	-	
Ekta Ghatalla		Relative of Director
Beginning of the year	-	
Loans advanced	23,808,000.00	
Loan repayment received	23,808,000.00	
Interest charged	-	
Interest received	-	
End of the year	-	
Rajesh P Ghatalla		Relative of Managing Director
Beginning of the year	-	
Loans taken	7,399,520.00	
Loan repayment made	7,399,520.00	
Interest charged	-	
Interest paid	-	
End of the year	-	
Worth Investment & Trading co Ltd		Company in which director is interested
Beginning of the year	-	
Loans advanced	269,245,433.00	
Loan repayment received	211,818,198.00	
Interest received	-	
Interest paid	-	
End of the year	104,412,867.32	
Chetan Mehta		Director
Beginning of the year	-	
Loans advanced	-	
Loan repayment received	-	
Interest charged	-	
Interest received	-	
End of the year	-	
Enam Organics India Ltd		Company in which director are substantially interested
Beginning of the year	111,917,306.60	
Loans given	427,675,300.00	
Loan repayment received	498,907,340.00	
Interest charged	-	
Interest received	-	
End of the year	40,685,266.60	
Aarey Pharma Park Pvt Ltd		Company in which director are substantially interested
Beginning of the year	490,000.00	
Loans taken	-	
Loan repayment done	-	
Interest charged	-	
Interest received	-	
End of the year	490,000.00	

