



BOARD OF DIRECTORS

Mihir Rajesh Ghatalia
Nimit Rajesh Ghatalia
Chetan Kiritbhai Mehta
Lalit Radhakrishna Tulsiani
Anil Mandal
Archana Pramod Wani

Chairman & Managing
Director Executive Director
Independent Director
Independent Director
Independent Director
Woman Director

KEY MANAGERIAL PERSONNEL

Rajesh P. Ghatalia
Preeti Paresh Rath

Chief Financial Officer
Company Secretary

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

DENA BANK
Andheri (West), Mumbai

AUDITORS

DMKH & Co.
803-804, Ashok Heights, Opp. Saraswati
Apt, Niklaswadi Road, Near Bhuta School,
Old Nagardas X Road, Gundavali, Andheri E,
Mumbai - 400069

CONTENTS

Particulars
Board of Director's
Notice
Director's Report
Extracts of Annual Report
Secretarial Audit Report
Conservation of Energy & Etc.
Management Discussion and Analysis
Corporate Governance
Auditor's Report
Balance Sheet
Profit & Loss Account
Notes forming Accounts
Cash Flow Statement



NOTICE

NOTICE IS HEREBY GIVEN THAT THE THIRTIETH ANNUAL GENERAL MEETING OF THE MEMBERS OF AAREY DRUGS & PHARMACEUTICALS LIMITED WILL BE HELD ON MONDAY 28TH DECEMBER, 2020 AT E-34, MIDC, TARAPUR, BOISAR, DIST. THANE AT 9.15 A.M. TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement of the Company for the year ended 31st March, 2020, the Balance sheet as on that date and the reports of Directors and Auditors thereon.

“RESOLVED THAT the Audited Financial Statement of the Company for the year ended 31st March, 2020, and the reports of Directors and Auditors thereon be and are hereby considered and adopted.”

2. To appoint a Director in place of Mr. Mihir Ghatalia (DIN: 00581005), who retires by rotation and being eligible, offers himself for re-appointment.

“RESOLVED THAT Mr. Mihir Ghatalia who retires by rotation at this Annual General Meeting be and is hereby appointed as Director of the Company liable to retire by rotation.

3. To appoint Statutory Auditors of the company, and to fix their remuneration and to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to the recommendation of the Audit Committee and further recommendation of Board of Directors of the Company, Motilal & Associates., Chartered Accountants, (Firm's Registration No. 106584W), Mumbai be and are hereby appointed as Statutory Auditors of the Company in place of M/s. DMKH & Co., Chartered Accountants, (Firm's Registration No. 116886W), for a term of Five consecutive years from the conclusion of 30th Annual General Meeting till the conclusion of the 35th Annual General Meeting (AGM) of the Company to be held in the calendar year 2025, to examine and audit the accounts of the Company on such remuneration as may be mutually agreed between the Board of Directors/Audit Committee of the Company and the Statutory Auditors.”



SPECIAL BUSINESS

4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

Re-appointment of Mr. Chetan Mehta (DIN: 01639366) as an Independent Director

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr. Chetan Mehta (DIN: 01639366), Non-Executive Independent Director of the Company who has submitted a declaration that he meets the criteria for independence and who is eligible for re-appointment and in respect of whom Notice has been received from a Member under Section 160 of the Act proposing his re-appointment as Director, be and is hereby re-appointed as a Non-Executive Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years with effect from 24th September, 2020 to 23rd September, 2025.

RESOLVED FURTHER THAT any of the Directors or the Key Managerial Personnel of the Company, be and are hereby severally authorised to do all such acts, deeds, matters and things as may be necessary to give full effect to this resolution.”

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

To regularize the appointment of Mr. Lalit Radha Krishna Tulsiani (DIN: 01652630) as Independent Director of the Company:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and in terms of recommendation of Nomination and Remuneration Committee and approval of the Board of Directors, Mr. Lalit Radha Krishna Tulsiani (DIN: 01652630), who was appointed as Additional Independent Director pursuant to the provisions of Section 161 (1) of the Companies Act, 2013 with effect from 29th January, 2020 and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as Independent Director of the Company for a period of five years from 29th January, 2020 to 28th January, 2025.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby severally authorized to file necessary returns/forms to the Registrar of Companies and to do



all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.”

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

To regularize the appointment of Mrs. Archana Pramod Wani (DIN: 03121886), as Non Executive Director of the Company:

“**RESOLVED THAT** pursuant to the provisions of Section 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and in terms of recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Mrs. Archana Pramod Wani (DIN: 03121886), who was appointed as an Additional Non- Executive Director (Woman Director) with effect from 17th April, 2020 on the Board of the Company who holds office up to the date of this Annual General Meeting of the Company, and in respect of whom the Company has received a notice in writing Under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as a Non-Executive Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT Directors of the Company, be and is hereby severally authorized to file necessary returns/forms to the Registrar of Companies and to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.”

7. To consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:-

To regularize the appointment of Mr. Anil Mandal (DIN: 08291619), as an Independent Director of the Company:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and in terms of recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Mr. Anil Mandal (DIN: 08291619), who was appointed as an Additional Director on 01st July, 2020 and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing Under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as Independent Director of the Company for a period of five years from 01st July, 2020 to 30th June, 2025.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby severally authorized to file necessary returns/forms to the Registrar of Companies and to do



all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.”

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

To regularize the appointment of Mr. Nimit Rajesh Ghatalia (DIN: 07069841) as an Executive Director of the Company:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), and in terms of recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Mr. Nimit Rajesh Ghatalia (DIN: 07069841), who was appointed as an Additional Director with effect from 01st July, 2020 on the Board of the Company in terms of Section 161(1) of the Companies Act, 2013 and Articles of Association of the Company and who holds office up to the date of this Annual General Meeting, and in respect of whom the Company has received a notice in writing Under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, and who holds office up to the date of this Annual General Meeting of the Company be and is hereby appointed as a Executive Director of the Company, liable to retire by rotation”

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby severally authorized to file necessary returns/forms to the Registrar of Companies and to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.”

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

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

Date: 05th December, 2020
Place: Mumbai

Preeti Paresh Rathi
Company Secretary & Compliance Officer

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL ONLY INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.



A proxy form duly completed and stamped, must reach the registered office of the Company not less than 48 hours before the time for holding the aforesaid meeting.

2. The register of members and the share transfer books of the company will remain closed from 22nd December 2020 to 28th December 2020 (both days inclusive) in connection with the Annual General Meeting.
3. Members are requested to send all transfer deeds, share certificates and other correspondence relating to registration of transfers, transmission endorsement of payment of allotment moneys, change in their address etc to the Registrar & Share Transfer Agents i.e

LINK INTIME INDIA PRIVATE LIMITED

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

4. The Annual Report and Notice for the 30th AGM alongwith Attendance slip and Proxy form, is being send by electronic mode to all the shareholders whose email address are registered with the Company/ Depository Participant unless a member has requested for a hard copy of the same. For members who have not registered their email address, physicals copies have been send through permitted mode. Members are requested to bring their copy of the Annual Report at the meeting.
5. **Voting through electronic means:**

Pursuant to the provisions of section 108 of the Companies Act, 2013 read with Companies (Management and Administration) Rules the company is pleased to offer evoting facility to its members to cast their vote electronically for the 30th Annual General Meeting of the Company on 28th December, 2020. The Company has engaged the services of Central Depository Services (India) Ltd. ("CDSL") for providing e-voting facilities to the Members enabling them to cast their vote in a secure manner.

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

Log on to the e-voting website www.evotingindia.com

- (i) Click on "Shareholders" tab.
- (ii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iii) Next enter the Image Verification as displayed and Click on Login.
- (iv) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (v) If you are a first time user follow the steps given below:



	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format. Members who have not updated their DOB with the Company/ Depository Participant are requested to use 30.09.2020 in the DOB field
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for Aarey Drugs & Pharmaceuticals Limited<Company Name> on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xv) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.



- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- (xvi) **In case of members receiving the physical copy:** Please follow all steps from sl. no. (i) to sl. no. (xv) above to cast vote.
- (xvi) The e-voting period shall commence on December 25, 2020 (9:00 a.m. onwards) and ends on December 27, 2020 (5:00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21st December, 2020, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (xvii) Mr. Virendra Bhatt, Whole time Practicing Company Secretary, Mumbai has been appointed Scrutinizer to scrutinize the evoting process in a fair and transparent manner.
- (xviii) The Scrutinizer shall within a period not exceeding two days from the conclusion of evoting period unblock the votes in the presence of two witnesses not in employment of the Company and make scrutinizer's Report of the votes cast in favour or against, forthwith to the Chairman of the Company.
- (xx) The Results shall be declared on or after the AGM of the Company. The Result declared alongwith the Scrutinizer's Report shall be placed on the Company website at www.aareydrugs.com within two days of passing of the resolutions of the AGM and communicated to BSE Limited.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

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

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

Date: 05th December, 2020
Place: Mumbai

Mihir R. Ghatalia
Chairman and Managing Director

ANNEXURE TO THE NOTICE
EXPLANATORY STATEMENT U/S 102(1) OF COMPANIES ACT 2013



Item No. 4.

The provisions of the Companies Act, 2013 with respect to appointment and tenure of the Independent Directors which provides that the Independent Directors shall be appointed for not more than two terms of up to five years each and shall not be liable to retire by rotation at every AGM. The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, reappointed Mr. Chetan Kiritbhai Mehta (DIN: 01639366), as an Independent Director of the Company for a term of 5 years i.e. from 24th September, 2020 to 23rd September, 2025, subject to approval of the Members. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from a Member, proposing his candidature for the office of Director. Mr. Chetan Mehta, have furnished declarations to the Company under Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria prescribed for Independent Directors under Section 149(6) of the Companies Act, 2013.

Except Mr. Chetan Mehta none of the Directors or Key Managerial Personnel of the Company other are in any way concerned or interested, financially or otherwise, in the resolution.

In view of this, the Board of Directors recommends the resolution as set out in item No. 4 of the Notice for approval by the members of the Company by way of a Special Resolution.

Item No. 5.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Lalit Radha Krishna Tulsiani (DIN: 01652630), as an Additional Independent Director of the Company for a term of 5 years i.e. from 28th December, 2020 to 28th December, 2025, subject to approval of the Members. Pursuant to the provisions of Section 161(1) of the Act and Article of the Articles of Association of the Company, Mr. Lalit Radha Krishna Tulsiani (DIN: 01652630) shall hold office up to the date of this AGM and is eligible to be appointed as a Non-Executive Independent Director. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from a Member, proposing his candidature for the office of Director.

The Company has received a declaration from Mr. Lalit Radha Krishna Tulsiani (DIN: 01652630) to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”).

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Lalit Radha Krishna Tulsiani (DIN: 01652630) as an Independent Director is now being placed before the Members for their approval.

Except Mr. Lalit Radha Krishna Tulsiani (DIN: 01652630) none of the Directors or Key Managerial Personnel of the Company other are in any way concerned or interested, financially or otherwise, in the resolution.



In view of this, the Board of Directors recommends the resolution as set out in item No. 5 of the Notice for approval by the members of the Company by way of an Ordinary Resolution.

Item No. 6.

Mrs. Archana Pramod Wani (DIN: 03121886) was appointed as an Additional Director by the Board with effect from 17th April, 2020 pursuant to Section 161 of the Companies Act, 2013, read with Articles of Association of the Company. Pursuant to the provisions of Section 161(1) of the Companies Act, 2013, Mrs. Archana Pramod Wani (DIN: 03121886) will hold office up to the date of the ensuing AGM, was appointed as Additional Director in terms of the provisions of the Companies Act, 2013 and amended SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. It is proposed to appoint Archana Pramod Wani (DIN: 03121886) as Non-Executive Director under Section 149 read with Schedule IV to the Act of the Companies Act, 2013 and received in writing a notice from a member, proposing her candidature for the office of Director.

In the opinion of the Board Mrs. Archana Pramod Wani (DIN: 03121886) fulfills the conditions specified in the Act and rules made there under as also under the Listing Agreement for his appointment as Director of the Company. Further Mrs. Archana Pramod Wani (DIN: 03121886) is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given him consent to act as Director.

Except Mrs. Archana Pramod Wani none of the Directors or Key Managerial Personnel of the Company other are in any way concerned or interested, financially or otherwise, in the resolution.

In view of this, the Board of Directors recommends the resolution as set out in item No. 6 of the Notice for approval by the members of the Company by way of an Ordinary Resolution.

Item No. 7.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Anil Mandal (DIN: 08291619), as an Additional Director of the Company and also an Independent Director, for a term of 5 years i.e. from 28th December, 2020 to 28th December, 2025, subject to approval of the Members. Pursuant to the provisions of Section 161(1) of the Act and Article of the Articles of Association of the Company, Mr. Anil Mandal (DIN: 08291619) shall hold office up to the date of this AGM and is eligible to be appointed as a Non-Executive Independent Director. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from a Member, proposing his candidature for the office of Director.

The Company has received a declaration from Mr. Anil Mandal (DIN: 08291619) to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").