



AAREY DRUGS & PHARMACEUTICALS LIMITED
ANNUAL REPORT 2022-23



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

Mira Mihir 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

Bank of Baroda
Andheri (West), Mumbai

AUDITORS

Motilal & Associates LLP.
304, Orchid Plaza,
S.V. Road, Boriwali West
Mumbai - 400092

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE THIRTY THIRD ANNUAL GENERAL MEETING OF THE MEMBERS OF AAREY DRUGS & PHARMACEUTICALS LIMITED WILL BE HELD ON TUESDAY 05TH SEPTEMBER, 2023 AT E-34, MIDC, TARAPUR, BOISAR, DIST. THANE AT 11:00 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, 2023, the Balance sheet as on that date and the reports of Directors and Auditors thereon.
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.

SPECIAL BUSINESS:

3. Increase in Authorised Share Capital and consequential alteration of Capital Clause of the Memorandum of Association

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 61 read with Sections 13, 64 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the rules framed there under, and in accordance with the provisions of the Memorandum of Association and Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to increase the Authorized Share Capital of the Company from existing is Rs. 25,50,00,000/- (Rupees Twenty five crores fifty Lakhs Only) divided into 2,55,00,000 (Two crores fifty five Lakhs) Equity Shares of Rs. 10/- (Rupees Ten Only) each, to Rs. 35,50,00,000/- (Rupees Thirty five Crores fifty Lakhs Only) divided into 3,55,00,000 (Three Crore Fifty Five Lakhs) Equity Shares of Rs. 10/- (Rupees Ten Only) ranking *pari passu* in all respect with the existing Equity Shares of the Company as per the Memorandum and Articles of Association of the Company.



FURTHER RESOLVED THAT pursuant to the provisions of Section 13 and all other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder, the consent of the Members of the Company be and is hereby accorded, for alteration of Clause V of the Memorandum of Association of the Company by substituting in its place and stead the following:-

“V. The Authorized Share Capital of the Company is Rs. 35,50,00,000/- (Rupees Thirty five crores fifty lakhs only) divided into 3,55,00,000 (Three Crore Fifty five Lakhs) Equity Shares of Rs. 10/- (Rupees Ten Only) each with rights, privileges and conditions attaching thereto as may be determined by the Board of Directors of the Company at the time of issue, with power to increase and reduce the capital for the Company and to attach thereto respectively such preferential deferred, guaranteed, qualified or special rights, privileges and conditions as may be determined by the Board of Directors of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the resolution of the Board of Directors of the Company.

RESOLVED FURTHER THAT approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard.”

4. Issue Upto 50,00,000 Equity Shares on a Preferential Basis:

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

“RESOLVED THAT pursuant to the provisions of Sections 42, 62(1)(c) and all other applicable provisions of the Companies Act, 2013 (‘the Act’) and the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the “SEBI ICDR Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “SEBI LODR Regulations”) and the Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeover) Regulations,



2011 as amended as amended from time to time, the listing agreement entered into by the Company with BSE Limited (the "Stock Exchange") on which the equity shares of the Company having face value of Rs. 10/- each ("Equity Shares") are listed, the Foreign Exchange Management Act, 1999, the Foreign Exchange (Transfer or Issue of Securities by a Person Resident Outside India) Regulations, 2000 and subject to any other rules, regulations, guidelines, notifications, circulars and clarifications issued thereunder from time to time by the Ministry of Corporate Affairs, the Securities and Exchange Board of India ("the SEBI") and/or any other competent authorities (hereinafter referred to as "Applicable Regulatory Authorities") from time to time to the extent applicable and the enabling provisions of the Memorandum of Association and Articles of Association of the Company, and subject to such approvals, consents and permissions as may be necessary or required and subject to such conditions as may be imposed or prescribed while granting such approvals, consents and permissions, which the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to mean and include one or more Committee(s) constituted by the Board to exercise its powers including the powers conferred by this Resolution), is hereby authorised to accept, the consent and approval of the Members of the Company ("Members") be and is hereby accorded to the Board to create, issue, offer and allot upto 50,00,000 (Fifty Lakhs) Equity Shares of the Company, having face value of Rs. 10/- (Rupees Ten Only) each, at a price as determined as on the Relevant Date i.e. 04th August, 2023 in accordance with Regulation 164 of the ICDR Regulations and applicable law, to proposed allottees as mentioned in the explanatory statement (hereinafter referred to as the 'Proposed Allottees') by way of a preferential issue and in such manner and on such terms and conditions, as may be deemed appropriate by the Board at its absolute discretion but subject to applicable laws and regulations, including the provisions of Chapter V of the SEBI ICDR Regulations, 2018 and the Companies Act, 2013.

FURTHER RESOLVED THAT in accordance with Chapter-V and Regulation 161 of the ICDR Regulations, the "Relevant Date", for determining the minimum price of the Equity Shares to be allotted to the Proposed Allottees, on a preferential basis, is 04th August, 2023, being the date which is 30 (Thirty) days prior to the date of this Annual General Meeting i.e 05th September, 2023.

FURTHER RESOLVED THAT, if required, price determined for preferential issue shall be subject to appropriate adjustments in accordance with the provisions of Regulation 166 of the ICDR Regulations.



RESOLVED FURTHER THAT without prejudice to the generality of the above Resolution, the issue of the Equity Shares to Proposed Allottees under the Preferential Issue shall be subject to the following terms and conditions apart from others as prescribed under applicable laws:

- a) The Equity Shares to be issued and allotted shall be fully paid up and rank *pari passu* with the existing Equity Shares of the Company in all respects (including with respect to dividend and voting powers) from the date of allotment thereof, be subject to the requirements of all applicable laws and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company.
- b) The Equity Shares to be allotted shall be locked-in for such period as specified in the provisions of Chapter V of the SEBI ICDR Regulations and will be listed on the Stock Exchange subject to receipt of necessary regulatory permissions and approvals.
- c) The Equity Shares shall be allotted in dematerialised form within a period of Fifteen (15) days from the date of passing of the Special Resolution by the Members, ***provided that*** where the allotment of the Equity Shares is subject to receipt of any approval or permission from Applicable Regulatory Authorities, the allotment shall be completed within a period of Fifteen (15) days from the date of receipt of last of such approvals or permissions.

RESOLVED FURTHER THAT the Board be and is hereby authorized to accept any modification(s) in the terms of issue of Equity Shares, subject to the provisions of the Act and the SEBI ICDR Regulations, without being required to seek any further consent or approval of the Members.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient, including without limitation, issuing clarifications, resolving all questions of doubt, effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Preferential Issue) and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the Members and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Equity



Shares and listing thereof with the Stock Exchange as appropriate and utilisation of proceeds of the Preferential Issue, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing and the decision of the Board shall be final and conclusive.

FURTHER RESOLVED THAT the Board be and is hereby authorised to delegate (to the extent permitted by law) all or any of the powers herein conferred to any Committee of Directors or any Director(s) or executive(s) / officer(s) of the Company subject to the provisions of the Companies Act, 2013 read with rules made thereunder and to do all such acts, deeds, matters and things as also to execute such documents, writings etc. as may be necessary to give effect to the aforesaid resolutions and all the actions that may be taken by the Board or Committee duly constituted for this purpose in this connection be and are hereby ratified and confirmed in all respects."

5. Issue of 50,00,000 Convertible Warrants on Preferential basis

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

"RESOLVED THAT pursuant to Sections 23(1)(b), 42, 62(1)(c) of the Companies Act, 2013 read with the rules made thereunder including the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory amendment(s) or modification(s) thereto or enactment(s) or re-enactment(s) thereof for the time being in force) ("the Act") and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time ("ICDR Regulations"), including the provisions of Chapter V of the ICDR Regulations, SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") SEBI (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011 and any amendment thereof and subject to the approval(s), consent(s), permission(s) and/or sanction(s), if any, of the appropriate authorities (including regulatory or statutory authorities) including SEBI & Stock Exchange(s), institutions or bodies as may be required, and subject to such conditions and modifications, as may be prescribed by any of them while granting any such approval(s), consent(s), permission(s), and/or sanction(s), and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which terms shall be deemed to include any Committee(s) which the Board may have constituted or hereinafter constitute to exercise its power including the powers conferred by



this resolution) and subject to any other alteration(s), modification(s), condition(s), correction(s), change(s) and variation(s) that may be decided by the Board in its absolute discretion, the consent of the members of the Company be and is hereby accorded to create, offer, issue and allot, from time to time in one or more tranches, up to 50,00,000 (Fifty Lakhs Only) Convertible Warrants on preferential basis, in one or more tranches, entitling the Warrant Holder to apply for and get allotted one equity share of the face value of Re. 10/- each fully paid-up against every Warrant held (hereinafter referred to as the “Warrants”), within a period of 18 (Eighteen) months from the date of allotment of Warrants, in such manner, at such a price as may be arrived at in accordance with the ICDR Regulations or other applicable laws in this respect, to the below-mentioned proposed allottees (Promoters / Promoters Group Members / Non-Promoters), in such manner and on such terms and conditions as may be determined by the Board in accordance with ICDR Regulations or any other provisions of the law as may be prevailing as on date:

Sr. No.	Name	Category	No. of warrants
1.	Rajesh Pranlal Ghatalia	Promoter	400000
2.	Bina Rajesh Ghatalia	Promoter	400000
3.	Mihir Rajesh Ghatalia	Promoter	400000
4.	Nimit Rajesh Ghatalia	Promoter	400000
5.	Mira Mihir Ghatalia	Promoter	400000
6.	Ekta Nimit Ghatalia	Promoter	400000
7.	Mihir Rajesh Ghatalia (HUF)	Promoter	400000
8.	Priti Chetan Mehta	Non Promoter	200000
9.	Archana Pramod Wani	Non Promoter	400000
10.	Worth Investment and Trading Company Limited	Promoter group	400000
11.	Enam Organics India Limited	Promoter group	400000
12.	Suraj Tradelinks Private Limited	Promoter group	400000
13.	Nimit Impex Private Limited	Promoter group	400000

RESOLVED FURTHER THAT the “Relevant Date” pursuant to regulation 161 of ICDR Regulations in relation to the abovementioned Preferential Issue of Warrants is 20th July, 2023, being the date, which is 30 days prior to the date on which the Resolution will be passed by the Members of the Company at this Annual General Meeting i.e. Monday, 21st August, 2023.

RESOLVED FURTHER THAT the offer, issue and allotment of the aforesaid Warrants to the proposed allottees and equity shares resulting from the exercise of the entitlement of the said warrants, shall be subject to applicable guidelines, notifications, rules and regulations and on the



terms and conditions given herein below:

1. Amount payable on allotment of warrants shall be 25% of the price per warrant and the amount payable before the date of conversion of warrants into Equity Shares would be 75% of the total consideration.
2. The said Warrants shall be issued and allotted to the allottees within a period of 15 days from the date of passing of this resolution ***provided that*** in case the allotment of the said Warrants is pending on account of pendency of any approval or permission by any regulatory authority or the Government of India, the allotment shall be completed within a period of 15 days from the date of receipt of last such approval or permissions.
3. The Equity Shares allotted on conversion of the Warrants shall rank *pari-passu* in all respects (including voting powers and the right to receive dividend), with the existing equity shares of the Company from the date of allotment thereof and shall be subject to the provisions of the Memorandum and Articles of Association of the Company.
4. The tenure of warrants shall not exceed 18 (Eighteen) months from the date of allotment of the warrants.
5. The proposed allottee (s) of Warrants shall be entitled to exercise option to convert warrants, in one or more tranches for allotment of one Equity Share of face value of Rs. 10/- (Rupees Ten Only) for every warrant, within a period of 18 (eighteen) months from the date of allotment of such warrants.
6. The said Warrants by themselves until exercise of conversion option and Equity Shares allotted, does not give to the Warrant holder any rights with respect to that of the Shareholders of the Company.
7. The Warrants and the Equity Shares being allotted pursuant to exercise of such Warrants shall be subject to a lock-in for such period as specified under applicable provisions of SEBI (ICDR) Regulations.