



### **NOTICE**

**NOTICE IS HEREBY GIVEN THAT THE THIRTY FIRST ANNUAL GENERAL MEETING OF THE MEMBERS OF AAREY DRUGS & PHARMACEUTICALS LIMITED WILL BE HELD ON SATURDAY 11<sup>TH</sup> SEPTEMBER, 2021 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 31<sup>st</sup> March, 2021, 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 thought fit to pass 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, 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. 25,00,00,000/- (Rupees Twenty five crores only) divided into 2,50,00,000 (Two crores Fifty Lakh) Equity Shares of Rs. 10/- (Rupees Ten only) each, to Rs 25,50,00,000/- (Rupees Twenty five crores Fifty Lakh only) divided into 2,55,00,000 (Two crores Fifty five Lakh) 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 Section 13 and all other applicable provisions, if any, of the Companies Act, 2013, 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 25,50,00,000/- (Rupees Twenty five crores Fifty Lakh only) divided into 2,55,00,000 (Two crores Fifty five Lakh) 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 20,00,000 Equity Shares On a Preferential Basis:**

To consider, and if thought fit, to pass the following resolution as **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 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 Listing Regulations") and the Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeover) Regulations, 2011 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 ("SEBI") and/or any other competent authorities (herein after 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 20,00,000 (Twenty Lakh) Equity Shares of the Company, having face value of Rs. 10/- (Rupees Ten only) each, at a price of Rs. 41.07/- as determined as on the Relevant Date 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 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 12<sup>th</sup> August, 2021, being the date which is 30 (Thirty) days prior to the date of this Annual General Meeting i.e. 11<sup>th</sup> September, 2021.

**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 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 authorized 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 hereby delegates (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 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."

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

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

Date: 10<sup>th</sup> August, 2021  
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.

- The register of members and the share transfer books of the company will remain closed from 05<sup>th</sup> September 2021 to 11<sup>th</sup> September 2021 (both days inclusive) in connection with the Annual General Meeting.
- The Annual Report and Notice for the 31<sup>st</sup> 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.

4. To protect the environment and disseminate all the communication promptly, members who have not registered their E-mail ID so far are requested to register the same with DP/RTA for receiving all the communications including Annual Reports, Notices etc. electronically.
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 31<sup>st</sup> Annual General Meeting of the Company on 11<sup>th</sup> September, 2021. 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](http://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](http://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:

	<b>For Members holding shares in Demat Form and Physical Form</b>
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 11.09.2021 in the DOB field
Dividend	Enter the Dividend Bank Details as recorded in your demat account or in the



Bank Details	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.
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(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](mailto: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](mailto: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 September 08, 2021 (9:00 a.m. onwards) and ends on September 10, 2021 (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 04<sup>th</sup> September, 2021, 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](http://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](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto: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: 10<sup>th</sup> August, 2021  
Place: Mumbai

Preeti Paresh Rath  
Company Secretary & Compliance Officer



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

**Item No.3.**

The existing Authorised Capital of the Company is Rs. 25,00,00,000/- (Rupees Twenty five crores only) divided into 2,50,00,000 (Two Crores Fifty lakh) Equity Shares of Rs.10/- (Rupees Ten only). Section 61 of the Companies Act, 2013, (including any statutory modification(s) or re-enactment thereof, for the time being in force, the "Companies Act") provides that a limited company having a share capital may, if so authorized by its Articles of Association, with the consent of its Members, alter the conditions of its Memorandum of Association so as to increase its share capital by such amount as it thinks expedient by issuing new shares.

In view of this, the Company proposes to increase the existing Authorised Equity Capital from Rs. 25,00,00,000/- (Rupees Twenty five crores only) divided into 2,50,00,000 (Two Crores Fifty lakh) Equity Shares of Rs.10/- (Rupees Ten only) each, to Rs 25,50,00,000/- (Rupees Twenty five Crores fifty five lakh only) by creation of additional 20,00,000 (Twenty Lakh) Equity Shares of face value of Rs.10/- each.

Consequently, Clause V of the Memorandum of Association would also require alteration so as to reflect the changed Authorised Share Capital.

The proposal for increase in Authorised Share Capital and amendment of Memorandum of Association of the Company requires approval of members at a general meeting.

The draft Memorandum of Association after incorporating the proposed change is available for inspection at the registered office of the Company during business hours on all working days excluding Saturdays and Sundays between 11.00 am to 1.00 pm upto the date of the meeting.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives, are in any way concerned or interested, financially or otherwise in the said resolution.

The consent of the members is, therefore, being sought for passing the aforesaid resolution of the notice as an Ordinary Resolution.



**Item No.: 04:**

In terms of Section 62(1)(c) read with Sections 42 and 55 of the Companies Act, 2013 and Rules made thereunder (the "Act"), and in accordance with provisions of Chapter V - "Preferential Issue" of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "ICDR Regulations"), as amended, and on the terms and conditions and formalities as stipulated in the Act and the ICDR Regulations, a Company can undertake preferential issue / private placement only after obtaining prior approval of the Shareholders by way of Special Resolution. Accordingly, the Company proposes to issue and allot fully paid-up 20,00,000 Equity Shares having face value of Rs.10/- (Rupees Ten Only) each at or above the minimum price as determined as on Relevant Date, in accordance with Regulation 164 of the SEBI (ICDR) Regulations, 2018

***The details in relation to the Preferential Issue as required under the SEBI ICDR Regulations and the Act read with the rules issued thereunder, are set forth below:***

**(i) Particulars of the Preferential Issue including date of passing of Board resolution**

The Board of Directors at its meeting held on 10<sup>th</sup> August, 2021, had, subject to the approval of the Members and such other approvals as may be required, approved the issuance of up to 20,00,000 Equity Shares at a price of Rs. 41.07/- per Equity Share, to proposed allottees, for cash consideration, on a preferential basis.

**(ii) Kinds of securities offered and the price at which security is being offered**

Up to 20,00,000 Equity Shares of the Company, at a price of Rs. 41.07/- (including a premium of Rs. 31.07/-) per Equity Share aggregating up to Rs. 8.21/- crore, such price being not less than the minimum price as on the Relevant Date determined in accordance with the provisions of Chapter V of the SEBIICDR Regulations.

**(iii) Objects of the Preferential Issue and aggregate amount proposed to be raised**

The Company proposes to raise an amount aggregating up to Rs. 8.21/- crore through the Preferential Issue. The proceeds of the Preferential Issue will be utilized for





meeting future funding requirements and other general corporate purposes of the Company.

**(iv) Relevant Date**

In terms of the provisions of Chapter V of the SEBI ICDR Regulations, relevant date for determining the floor price for the Preferential Issue is 12<sup>th</sup> August, 2021, being the date 30 days prior to the date of this Annual General Meeting (AGM).

**(v) Basis on which the price has been arrived at and justification for the price (including premium, if any).**

The Equity Shares of the Company are listed on BSE Limited (hereinafter referred to as the “Stock Exchange”). The Equity Shares are frequently traded in terms of the SEBI ICDR Regulations and BSE has been considered for determining the floor price in accordance with the SEBI ICDR Regulations.

In terms of the applicable provisions of the SEBI ICDR Regulations, the floor price at which the Equity Shares shall be issued is Rs. 41.07/- per Equity Share, being higher of the following:

- a) Average of weekly high and low of the volume weighted average price of the Equity Shares of the Company quoted on BSE, during the twenty six (26) weeks preceding the twenty six (26) weeks preceding the Relevant Date i.e Rs 31.48 per Equity Share; or
- b) Average of weekly high and low of the volume weighted average price of the Equity Shares of the Company quoted on BSE, during the Two (2) weeks preceding the Two (2) weeks preceding the Relevant Date i.e Rs 41.07 per Equity Share; or

The pricing of the Equity Shares to be allotted on preferential basis is Rs. 41.07/- per Equity Share which is not lower than the floor price determined in the manner set out above.

**(vi) Intent of the Promoters, directors or key managerial personnel of the Company to subscribe to the Preferential Issue; contribution being made by the**



**Promoters or Directors either as part of the Preferential Issue or separately in furtherance of the objects**

The Equity Shares shall be issued to the Promoter of the Company and also to Non-Promoters. Five Promoters has indicated their intention to subscribe to the Preferential Issue. Only one Director and CFO (Promoter) of the Company intends to subscribe to any of the Equity Shares proposed to be issued under the Preferential Issue or otherwise contribute to the Preferential Issue or separately in furtherance of the objects specified herein above.

**(vii) Time frame within which the Preferential Issue shall be completed**

As required under the SEBI ICDR Regulations, the Equity Shares shall be allotted by the Company within a period of 15 days from the date of passing of this Resolution, provided that where the allotment of the proposed Equity Shares is pending on account of receipt of any approval or permission from any regulatory or statutory authority, the allotment shall be completed within a period of 15 days from the date of receipt of last of such approvals or permissions.

**(viii) Principal terms of assets charged as securities**

Not applicable.

**(ix) Shareholding pattern of the Company before and after the Preferential Issue**

The pre issue and post issue shareholding pattern of the Company after considering the preferential issue to be made to Proposed Allottees is provided hereunder:

Sr n o	Category	Pre – Issue as of June, 2021		Post – Issue*	
		Number of Equity Shares	% of Shareholding	Number of Equity Shares	% of Shareholding
A	Shareholding of Promoter and Promoter Group				
1	Promoter and Promoter Group	1,15,48,313	49.38	1,21,98,313	48.05
	Sub Total (A)	1,15,48,313	49.38	1,21,98,313	48.05
B	Non Promoters				



	Shareholding				
1	Institutions	800000	3.42	800000	3.15
2	Non Institutions	9390303	40.15	9390303	36.99
3	Bodies Corporate	689726	2.95	689726	2.72
4	Others	956342	4.09	2306342	9.09
	Sub- Total (B)	11836371	50.62	13186371	51.95
	GRAND TOTAL [(A)+(B)]	23384684	100.00	25384684	100.00

**(x) The Class or Classes of persons to whom the allotment is proposed to be made:**

The allotment is proposed to be made to the Promoters of the Company as well as Non-Promoters as mentioned in the list of Proposed Allottee.

**(xi) The Identity of the Proposed Allottees, maximum number of Equity Share proposed to be issued and the Percentage of Pre and Post issue capital that may be held by the Proposed Allottees:**

**Details of proposed Allottees for issue of equity shares:**

Proposed Allottee	Natural Person who ultimately controls the Proposed Allottee	Maximum no of Equity Shares to be allotted	Pre- Issue Shareholding as on 30 <sup>th</sup> June 2021		Post - Issue Shareholding	
			No of shares	%	No of shares	%
Tejpal Anbalal Shah HUF	Tejpal Anbalal Shah HUF	100000	-	-	100000	0.39
Tejpal Anbalal Shah	Tejpal Anbalal Shah	100000	-	-	100000	0.39
Penil Doshi	Penil Doshi	125000	-	-	125000	0.49
Zil Doshi	Zil Doshi	375000	-	-	375000	1.48
Nipa Doshi	Nipa Doshi	250000	-	-	250000	0.98
Chirag J Bajaria	Chirag J Bajaria	50000	-	-	50000	0.19
Viraj Anil Bajaria	Viraj Anil Bajaria	50000	-	-	50000	0.19
Chetan Mehta	Chetan Mehta	300000	-	-	300000	1.18
Mira Mihir Ghatalia	Mira Mihir Ghatalia	250000	440000	1.88	690000	2.72
Bina Rajesh	Bina Rajesh	150000	3350834	14.33	3500834	13.79





Ghatalia	Ghatalia					
Nimit Rajesh Ghatalia	Nimit Rajesh Ghatalia	150000	1000000	4.28	1150000	4.53
Suraj Tradelinks Pvt Ltd	Suraj Tradelinks Pvt Ltd	50000	1960000	8.38	2010000	7.92
Nimit Impex Pvt Ltd	Nimit Impex Pvt Ltd	50000	1960000	8.38	2010000	7.92
<b>TOTAL</b>	NA	2000000	NA	NA	NA	NA

- (xii) **Identity of the natural persons who are the ultimate beneficial owners of the Equity Shares proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of post Preferential Issue capital that may be held by them and change in control, if any, in the Company consequent to the Preferential Issue:**

The Equity Shares are proposed to be allotted to Proposed Allottees as mentioned above in point (xi). Details of shareholding prior to and after the proposed Preferential Issue, are also provided in point (xi) above.

- (xiii) **The Change in control, if any, in the Company that would occur consequent to the preferential offer:**

There shall be no change in management or control of the Company pursuant to the proposed issue. However, the percentage of shareholding, will change in accordance with the change in the shareholding pattern as set in the point (xi).

- (xiv) **Lock-in Period**

The Equity Shares shall be locked-in for such period as specified under Regulations 167 and 168 of the SEBI ICDR Regulations.

- (xv) **Undertakings:**

- a) None of the Company, its Directors or Promoter have been declared as wilful defaulter as defined under the SEBI ICDR Regulations. None of its Directors is a fugitive economic offender as defined under the SEBI ICDR Regulations.



- b) The Company is eligible to make the Preferential Issue to its Promoter as well as Non-Promoter under Chapter V of the SEBI ICDR Regulations.
- c) As the Equity Shares have been listed for a period of more than twenty-six weeks as on the Relevant Date, the provisions of Regulation 164(3) of SEBI ICDR Regulations governing re-computation of the price of shares shall not be applicable.

**(xvi) Certificate from Statutory Auditors:**

The certificate from Motilal & Associates LLP., Chartered Accountants, being the Statutory Auditors of the Company certifying that the Preferential Issue is being made in accordance with the requirements contained in the SEBI ICDR Regulations shall be made available for inspection by the Members during the meeting.

**(xvii) Other Disclosures:**

- a) During the period from 01<sup>st</sup> April, 2021 until the date of Notice of this AGM, the Company has not made any preferential issue of Equity Shares.
- b) Report of the registered valuer is not required under the provisions of second proviso to Rule 13(1) of the Companies (Share Capital and Debentures) Rules, 2014 for the proposed Preferential Issue.
- c) Neither Promoter nor any member of the promoter group of the Company including Proposed Allottees have sold or transferred any Equity Shares during the six months preceding the Relevant Date.

In accordance with the provisions of Sections 23, 42 and 62 of the Act read with applicable rules thereto and relevant provisions of the SEBI ICDR Regulations, approval of the Members for issue and allotment of the said Equity Shares to Proposed Allottees is being sought by way of a Special Resolution as set out in the said item of the Notice. Issue of the Equity Shares pursuant to the Preferential Issue would be within the Authorised Share Capital of the Company after increase of the Authorised Share Capital.



Mr. Mihir Ghatalia, Director; Mr. Nimit Ghatalia, Director; Mrs. Mira Ghatalia, Chief Finance Officer and their relatives are concerned or interested in the above referred resolution to the extent of their shareholding in the Company and the proposed allotment.

None of the Directors, Key Managerial Personnel of the Company their relatives other than specified above, are in any way concerned or interested, financially or otherwise, in the above referred resolution except to the extent of their individual shareholding in the Company.

The Board of Directors believes that the proposed Preferential Issue is in the best interest of the Company and its Members and, therefore, recommends the Special Resolution at Item No.: 04 of the accompanying Notice for approval by the Members of the Company.

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

**REGISTERED OFFICE**  
E-34, MIDC, BOISAR,  
TARAPUR, DIST. THANE  
Date: 10<sup>th</sup> August, 2021  
Place: Mumbai

Preeti Paresh Rathi  
Company Secretary & Compliance Officer