34th ANNUAL REPORT 2025-26

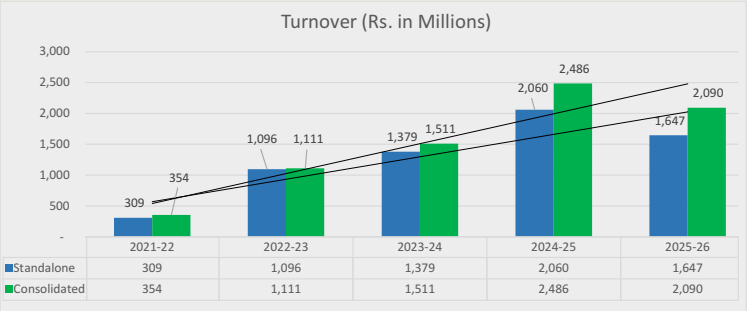
ARROW GREENTECH LTD.

Imagination To Innovation

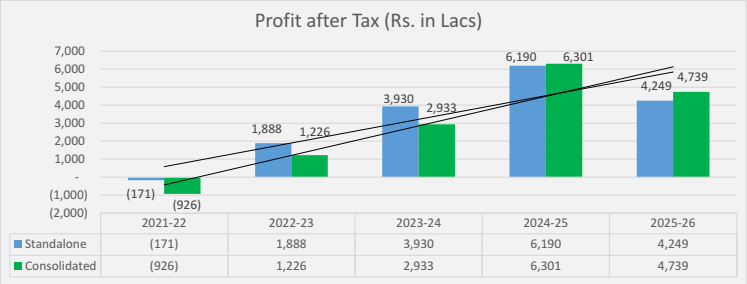
ARROW GREENTECH LTD.

34th ANNUAL REPORT 2025-26

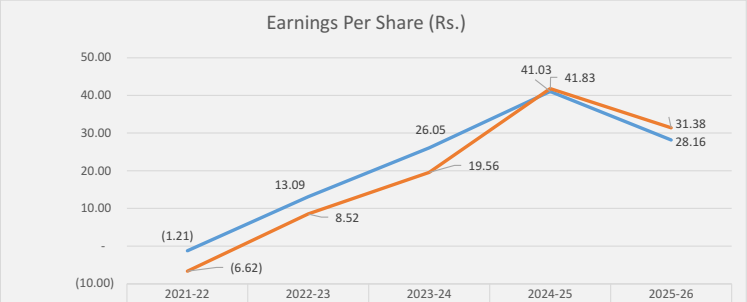
Financial Highlights at a glance



	2021-22	2022-23	2023-24	2024-25	2025-26
Standalone	309	1,096	1,379	2,060	1,647
Consolidated	354	1,111	1,511	2,486	2,090



	2021-22	2022-23	2023-24	2024-25	2025-26
Standalone	(171)	1,888	3,930	6,190	4,249
Consolidated	(926)	1,226	2,933	6,301	4,739



	2021-22	2022-23	2023-24	2024-25	2025-26
Standalone	(1.21)	13.09	26.05	41.03	28.16
Consolidated	(6.62)	8.52	19.56	41.83	31.38

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Chairman Message

Dear Shareholders,

As we close the financial year 2025–26, I write to you openly and with confidence in the year ahead. After a record-setting FY25, this past year has been one of consolidation rather than acceleration - a year in which our headline numbers moderated, even as the underlying franchise grew stronger, our innovation engine kept turning, and our balance sheet remained as resilient as ever. I have always believed that the true measure of a company is not in one year, but the consistency of its character across the cycle. By that measure, Arrow Greentech has maintained itself with discipline and evolved.

FY25 was a strong year that set a high base. Viewed in that context, FY26 was a moderate year, even as the underlying fundamentals of the business remain firmly in place.

Performance Review: The Year in Numbers

For FY26, consolidated revenue stood at ₹ 2,005 million compared with ₹ 2,434 million in FY25. Profit After Tax was ₹ 474 million against ₹ 630 million in the previous year, with a PAT margin of approximately 24%. In recognition of the company's continued strength and our confidence in the road ahead, the Board has recommended a dividend of ₹5 per share for the year.

Our balance sheet remains healthy, with adequate liquidity. This financial position enables us to continue investing in research and development, capacity expansion and new business opportunities while maintaining a disciplined approach to capital allocation.

Green Segment: The Engine of Diversification

The clearest evidence of our strategy at work lies in our green portfolio. Revenue from our green products segment grew by an impressive 52 per cent to ₹ 369 million in FY26 - a standout performance in an otherwise measured year. As India's largest manufacturer of water-soluble films, marketed under our Watersol® brand, and with a widening basket of bio-compostable solutions, we are riding a structural and irreversible global shift toward sustainable packaging and eco-friendly industrial materials. This is exactly the kind of steady, demand-led growth that complements our broader portfolio, and it reflects the balanced, diversified strategy we have deliberately pursued. Our leadership in this space was recognised externally during the year, with our Water-Soluble Film technology winning the Commercial Innovation Award at the FIPSA Awards for Responsible Packaging 2026. Our acquisition of land at the Dahej-II Industrial Estate positions us to scale this segment meaningfully in the years ahead.

High-Tech & Security Products: Normalisation & Continued Strength

The High-Tech and Security products continue to be an important part of our business. We manufacture anti-counterfeit products, security elements and security films for document, brand and high-security applications.

Revenue contribution from this segment was lower in FY26, primarily reflecting the timing and execution of orders. We continue to participate in relevant procurement opportunities and pursue applications in security, authentication and brand protection.

Innovation & Intellectual Property: Our Deepest Moat

Innovation is not a department at Arrow Greentech; it is our identity. During the year, we were granted a new patent in India for our multicolour security fibres, further widening a portfolio that now spans more than two dozen patents across India, the United Kingdom, the United States, South Africa, Europe and Eurasia. This follows the grant of our US & Europe patent for the Dual-Colour Shift Security Film and reflects the relentless work of our R&D team and IP Cell, whose contributions have been recognised by the DPIIT and the Ministry of Commerce. Every patent we secure raises the entry barrier for would-be competitors and converts scientific work into a durable, defensible asset. In an IP-led business, this moat is our single greatest source of long-term value, and it is deepening, year after year. We will continue to focus on developing proprietary technologies with commercial applications across our businesses.

Avery Pharmaceuticals: Building the Next Growth Vector

Through Avery Pharmaceuticals, we continue to develop our capabilities in Novel Drug Delivery Systems, including mouth-dissolving and oral thin-film products.

Avery has a portfolio of more than 54 approved nutraceutical and pharmaceutical products and also undertakes contract development and manufacturing. We remain focused on expanding customer relationships, securing repeat business and progressively developing opportunities in regulated pharmaceutical markets.

Global Presence: Gateways to the World

Our subsidiaries in the United Kingdom and the Netherlands support our engagement with customers and markets across Europe and other international regions. These entities provide a platform for business development, customer support and regulatory coordination as we seek to expand our overseas presence.

The Road Ahead: FY27 and Beyond

As we enter FY27, I want to leave you with a sense of measured, grounded optimism. The variability of a single year does not define a franchise built on patents, proprietary technology and a fortress balance sheet - indeed, it is a feature of the high-value model we have deliberately chosen, not a flaw within it. Our priorities are clear: to scale the green products business through new capacity and applications; to convert our deep IP pipeline into the next generation of security solutions and related business verticals; to grow Avery toward regulated markets through partnerships and approvals; and to keep expanding our international footprint.

We remain steadfastly committed to the Hon. Prime Minister's vision of Make in India and Atma-Nirbhar Bharat and to the nation's self-reliance, conserving foreign exchange and contributing to India's economic growth. We will continue to invest selectively in technology, capacity and people while maintaining financial discipline and a long-term approach to value creation

I am deeply grateful to our customers for their loyalty, to our team for their tenacity and dedication, and to you, our shareholders, for your steadfast trust. We remain committed to conducting our business responsibly and to creating sustainable value for all our stakeholders.

Namaskar,
Shilpan P. Patel
Chairman & Managing Director

Mr. Shilpan Patel
Chairman & Managing Director of Arrow Greentech Ltd.

Mr. Shilpan Patel aged 70 years is the Chairman and Managing Director of the Company holds a Master's degree in Business Administration from Sam Houston State University, Texas, USA. He did his graduation in Commerce from H.L. College of Commerce, Ahmedabad in India. In 1979-80 he gained experience in the coating industry from Grace Paper Industries Pvt. Ltd and worked there for a period of 9 years. In 1990 he developed Water Soluble Film, which is a product of indigenous research and has a very strong bearing on the environment. In 2000, the product (Water Soluble Film) won the India Star Award.

Mr. Patel has filed various patents in USA, Europe, South Africa, Australia and India based on Water Soluble Films, security films and Green Technologies. Appointed on the Board for the first time on October 30, 1992, he is in charge of Business Development and Strategic Management of the Company and creating value for all stake holders and society at large. Mr.Patel has spearheaded the IP cell of Arrow Greentech Ltd. and under his able guidance the company has acquired grants over 40 patents across the globe. He has helped the IP cell generate revenues by entering into partnerships through technology transfer, licensing, know how transfer etc. His love for the environment and passion for innovation has won the company several awards. The recent one being National IP Award 2019 for Top Indian Company (MSME) for Patents & Commercialization

Mr. Neil Patel aged 40, is Joint Managing Director of our Company. He holds a Master of Science in BioMedical Science from Kingston College, London. With a keen entrepreneurship spirit and outstanding organizational capabilities, he is well-positioned to lead and oversee the Company's operations. Mr. Patel has been an integral part of the Company since 2009.

He currently serves as a member of both Audit Committee and Stakeholders Relationship Committee of the Company. Initially appointed to our board as an Additional Director on June 1 2012, he was subsequent confirmed as a Director at the following Annual General Meeting. His current term commenced from 1st April 2025.

Mr. Yogesh Gajjar aged 73 years is an Independent Director of our Company. He had done Diploma in Electronics from Government Polytechnic College in the year 1975. He is into Business of Electricals and Electronics services for last 45 years. He possesses good entrepreneurship and excellent organizational spirit. He has vast experience & knowledge in the field of electronics. He is based in Ahmedabad.

He is Chairman of Stakeholder's Relationship Committee and member of Audit Committee and Nomination & Remuneration Committee of the Company.

He has appointed to our board for the first time on 8th February 2025 as an Additional Director & approved as a Director by the shareholders through postal ballot on 28th March 2025. His current term started from 8th February 2025.

Mr. Prashant Sushilchandra Mehta aged 72 years is an Independent Director of our Company. He is a Company Secretary by Profession.

He has done his graduation in Commerce in 1976 from Narsee Monjee College of Commerce and Economics, and Law in 1978 from New Law College, Mumbai .

He has more than 40 years of experience in legal and Secretarial field and had worked in the past in leading Companies like Premier Ltd, Jindal Iron and Steel Co Ltd. (JISCO) which is now known as JSW Steel, Shoppers Stop.

He is Chairman of Nomination & Remuneration Committee and Audit Committee and member of Stakeholders' Relationship Committee of the Company.

He was appointed to our board for the first time on 13th February 2024 as an Additional Director & approved as a Director by the shareholders through postal ballot on 29th March 2024. His current term started from 13th February 2024.

Mrs. Barkharani Harsh Nevatia aged 32 years is an Independent Woman Director of our Company. She is a Chartered Accountant by Profession, practicing in Pune and formerly in Mumbai. She holds a Bachelor of Legislative Law (LLB) Degree from Mumbai University and has graduated from the esteemed Narsee Monjee College of Commerce and Economics, Mumbai. She has experience in the fields of corporate tax compliances and statutory audits, with extensive focus on GST and Income Tax.

She is member of Nomination & Remuneration Committee and Audit Committee of the Company.

She has appointed to our board for the first time on 13th February 2024 as an Additional Director & approved as a Director by the shareholders through postal ballot on 29th March 2024. Her current term started from 13th February 2024.

Mrs. Jigisha Patel aged 69 years is the Non-Executive Non-Independent Woman Director has done Bachelor of Arts (B.A.) from Calcutta. She is having rich knowledge in supervising and coordinating the administration. She is a professional with good experience of Managing Skills and Handling Team. She possesses a diverse and wide ranging experience and knowledge of Corporate Affairs

She has appointed to our board for the first time on 14th July 2020 as an Additional Director and then ratified at the Annual General Meeting held on September 29, 2020.

CORPORATE IDENTIFICATION NUMBER (CIN): L21010MH1992PLC069281

BOARD OF DIRECTORS :

Mr. Shilpan P Patel	Chairman & Managing Director
Mr. Neil Patel	Jt. Managing Director
Mr. Prashant Mehta	Independent Director
Mrs. Jigisha Patel	Woman Director
Mrs. Barkharani Nevatia	Independent Director
Mr. Yogesh Gajjar	Independent Director

CHIEF FINANCIAL OFFICER:
Mr. Hitesh Punglia

COMPANY SECRETARY :
Mrs. Poonam Bansal

REGISTERED OFFICE :
1/F, Laxmi Industrial Estate
New Link Road
Andheri (West)
Mumbai – 400 053

WORKS :
5310/5311 - GIDC,
ANKLESHWAR - 393 002

STATUTORY AUDITORS :
M/s. Haribhakti & Co. LLP
Chartered Accountants
Mumbai

INTERNAL AUDITORS :
M/s. J.A. Rajani & Co.
Chartered Accountants
Mumbai

SECRETARIAL AUDITORS :
M/s. Rajendra & Co.
Company Secretaries
Mumbai

COST AUDITORS:
M/s. Dilip M Bhatija
Cost Accountant
Mumbai

Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to update their email address with the Company or M/s. MUFG Intime India Private Limited (RTA), to enable us to send all the documents through electronic mode in future.

REGISTRAR AND SHARE TRANSFER AGENTS :
MUFG Intime India Private Limited
C 101, 247 Park,
L.B.S.Marg, Vikhroli (West),
Mumbai - 400083.

BANKERS :
Kotak Mahindra Bank
Bank of Baroda
HDFC Bank Ltd

NOTICE OF THE 34th ANNUAL GENERAL MEETING

Notice is hereby given that the 34th Annual General Meeting of Arrow Greentech Ltd. will be held on, Friday, the September 18, 2026 at 3:00 PM. through Video Conferencing (VC) or Other Audio Visual Means (OAVM) for which purpose the Registered Office of the Company situated at 1/F Laxmi Industrial Estate, New Link Road, Andheri(West), Mumbai - 400053 shall be deemed as the venue for the Meeting and the proceedings of the AGM shall be deemed to be made thereat, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt Audited Balance Sheet as on March 31, 2026 and Statement of Profit and Loss for the year ended on that date together with the Directors' Report and Auditors' Report thereon.

2. To declare Dividend on Equity Shares for the year ended March 31, 2026.

3. To appoint a Director in place of Mrs. Jigisha S Patel, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

4. **Appointment of KNAV & Co. LLP as the Statutory Auditors of the Company.**

   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 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and upon recommendation of the Audit Committee, KNAV & Co. LLP, Chartered Accountants (Firm Registration No. 120458W/W100679), be and are hereby appointed as the Statutory Auditors of the Company for a term of 5 (five) years i.e. from the conclusion of this Annual General Meeting till the conclusion of 39th Annual General Meeting of the Company, at such remuneration as may be approved by the Audit Committee/ Board of Directors of the Company from time to time.

   RESOLVED Further That the Audit Committee/ Board of Directors of the Company, be and are hereby authorized to revise/ alter/ modify/ amend the terms and conditions and/ or remuneration, from time to time, as may be mutually agreed with the Auditors, during the tenure of their appointment.**"**

   SPECIAL BUSINESS

5. To ratify the remuneration payable to the Cost Auditor appointed by the Board of Directors of the Company for the financial year 2026-27 pursuant to Section 148 and all other applicable provisions of Companies Act, 2013, by passing with or without modification(s), the following resolution as **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of Companies (Audit and Auditors) Rules, 2014 and other applicable provisions of the Companies Act, 2013, the remuneration of Rs.80,000/- (Rupees Eighty Thousand Only) excluding applicable Tax payable to Mr. Dilip M Bathija, Cost Accountants, Mumbai, for conducting cost audit of the Company for the financial year 2026-27, as approved by the Board of Directors of the Company, be and is hereby ratified".

6. **Revision in remuneration of Mr. Shilpan P Patel (DIN: 00341068), Chairman and Managing Director of the Company**

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

   "RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and the applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment thereof, for the time being in force), and as recommended by the Nomination and Remuneration Committee at its held on 13th August 2026, the Company hereby approves the revision in the terms of remuneration payable to Mr. Shilpan P Patel, Chaiman & Managing Director, with effect from 1st July 2026 till the remaining period of his tenure, **w**hich shall in no case exceed ten percent of the Net Profits of the Company to all Executive Directors and which shall in no case exceed five percent of the Net Profit of the Company to one Executive Director, if applicable, as per details given in the explanatory statement forming part of this Notice.

   RESOLVED FURTHER THAT approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to do all such acts, deeds, matters, to enter into such agreement(s), deed(s) of amendment(s) or any such document(s) 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."

7. **Revision in remuneration of Mr. Neil S Patel (DIN: 00607101), Jt. Managing Director of the Company**

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

   "RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and the applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)

Regulations, 2015, (including any statutory modification(s) or re-enactment thereof, for the time being in force), and as recommended by the Nomination and Remuneration Committee at its held on 13th August 2026, the Company hereby approves the revision in the terms of remuneration payable to Mr. Neil Patel, Jt. Managing Director, with effect from 1st July 2026 till the remaining period of his tenure **w**hich shall in no case exceed ten percent of the Net Profits of the Company to all Executive Directors and which shall in no case exceed five percent of the Net Profit of the Company to one Executive Director, if applicable, as per details given in the explanatory statement forming part of this Notice.

RESOLVED FURTHER THAT approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to do all such acts, deeds, matters, to enter into such agreement(s), deed(s) of amendment(s) or any such document(s) 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."

8. **To approve Material Related Party Transaction**

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 applicable provisions of Section 188 and any other applicable provisions of the Companies Act, 2013 and Rules framed thereunder and in terms of the Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including statutory modification(s) or re- enactment thereof for the time being in force) and subject to such other statutory approvals as may be necessary, the consent of the Members of the Company be and is hereby accorded to enter into transaction(s) of sale/ purchase/ supply of goods, materials, etc. to/from Advance Business Solutions (ABS), selling or otherwise disposing of or buying, leasing of property of any kind to/from Advance Business Solutions (ABS), rendering/availing of any services to/from Advance Business Solutions (ABS), whether material or otherwise, from the ensuing 34th Annual General Meeting till the 35th Annual General Meeting to be held in Calendar Year 2027 up to an estimated annual value of Rs.70 Crore (Rupees Seventy Crore only) excluding taxes to be discharged in a manner and on such terms and conditions as may be mutually agreed upon between the Board of Directors of the Company and Advance Business Solutions (ABS) provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is being carried out at an arm's length pricing basis and in the ordinary course of business.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to negotiate and finalize other terms and conditions and to do all such acts, deeds, matters and things including but not limited to delegation of powers as may be necessary, proper or expedient to give effect to this Resolution."

NOTES:

1. The Statement pursuant to Section 102 of the Companies Act, 2013 (the 'Act'), in relation to Special Business is annexed hereto. Additional information, pursuant to Regulation 36 of the Listing Regulations, in respect of the directors seeking appointment / reappointment at the AGM, forms part of this Notice.

2. The Ministry of Corporate Affairs ('MCA'), inter alia, vide its General Circular No(s). 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, and subsequent circulars issued in this regard, the latest being General Circular No. 09/2024 dated September 19, 2024 (collectively referred to as 'MCA Circulars') and circular issued by SEBI vide circular no. SEBI/ HO/ CFD/ CFDPoD-2/ P/ CIR/ 2024/ 133 dated October 3, 2024 ("SEBI Circular") and other applicable circulars and notifications issued including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time, has permitted the holding of the AGM through Video Conferencing ('VC') or through Other Audio-Visual Means ('OAVM'), without the physical presence of the Members at a common venue. Incompliance with the said Circulars, EGM/AGM shall be conducted through VC/OAVM.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

4. 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.

5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) the Secretarial Standard on General Meetings (SS-2) issued by the ICSI and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs from time to time the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-voting on the date of the AGM will be provided by NSDL.

6. In compliance with the aforesaid MCA and SEBI Circulars, Notice of the AGM and Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company/RTA/Depositories. Members may note that the Notice will also be available on the Company's website at www.arrowgreentech.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on website of the e-voting agency- National Securities Depository Limited at https://www.evoting.nsdl.com

7. Since the physical attendance of Members has been dispensed with, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Attendance Slip, Route Map and Proxy Form are not annexed to this Notice.

8. Institutional / Corporate Members are requested to send a scanned copy (PDF / JPEG format) of the Board Resolution authorising its representatives to attend and vote at the AGM, pursuant to Section 113 of the Act, to Company Secretary of the Company at poonam@arrowgreentech.com.

9. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, September 16, 2026 to Friday, September 18, 2026 (both days inclusive) for the purpose of distribution of dividend on equity shares and Annual General meeting of the Company.

10. During the year amount of Unclaimed Final Dividend for financial year 2018-19 is due for deposit to the Investors Education and Protection Fund on 13th October, 2026.

11. In case the Dividend has remained unclaimed for the financial years 2018-19 and 2022-23 to 2024-25 (Interim and/or Final) the Shareholders may approach the Company with their dividend warrants for revalidation/ with the letter of undertaking for issue of revalidated/ duplicate dividend.

12. Members whose shareholding is in the electronic mode are requested to intimate any change in their address to their respective Depository Participants.

13. Members seeking any information with regard to the accounts or any document to be placed at the AGM, are requested to write to the Company on or before Friday, September 11, 2026 through email on poonam@arrowgreentech.com. The same will be replied / made available by the Company suitably.

14. **INSTRUCTIONS FOR E-VOTING AND JOINING THE AGM ARE AS FOLLOWS.**

The remote e-voting period commences on Tuesday, September 15, 2026 (9:00 a.m. IST) and ends on Thursday, September 17, 2026 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Friday, September 11, 2026 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.

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

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

Step 1: Access to NSDL e-Voting system

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

	3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 5. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com 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 a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

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

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

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

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

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

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
   a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

A. GENERAL GUIDELINES FOR SHAREHOLDERS

1. Institutional / Corporate shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc., with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by email to cs.rajendra@yahoo.in with a copy marked to evoting@nsdl.co.in
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on https://www.evoting.nsdl.com to reset the password.
3. In case of any queries relating to e-voting you may refer to the FAQs for Shareholders and e-voting user manual for Shareholders available at the download section of https://www.evoting.nsdl.com or call on 022 - 4886 7000 or send a request at evoting@nsdl.co.in.
4. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.arrowgreentech.com and on the website of NSDL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited and National Stock Exchange of India Limited.

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to poonam@arrowgreentech.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to (poonam@arrowgreentech.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM 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 system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at poonam@arrowgreentech.com from Thursday, September 10, 2026 (9:00 a.m. IST) to Tuesday, September 15, 2026 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM for smooth conduct of the AGM.

   We would like to draw your kind attention to the following urgent matters, which require your immediate action:-

DEMATERIALISATION OF SHARES

SEBI vide its circular No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 has mandated that w.e.f. April 1, 2019 except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. In light of same shareholders are requested to kindly convert their physical shares in Demat form to avoid hassle in transfer of shares.

CONSOLIDATION OF MULTIPLE FOLIOS

Members holding more than one share in the same name or joint names in the same order but under different ledger folios are requested to apply for consolidation of such folios into a single folio and accordingly send a request letter duly signed by the shareholder and the relevant share certificates alongwith the self attested copy of PAN card and Aadhar card to the Registrars and Share Transfer Agent (RTA) of the Company, to enable them to consolidate all such multiple folios into one single folio.

PERMANENT ACCOUNT NUNBER

SEBI has mandated submission of Permanent Account Number [PAN] by every participant in the Securities Market. Members holding shares in electronic form are therefore requested to submit their PAN to their depository participants. Members holding shares in physical form are required to submit their PAN details to RTA.

Pursuant to Regulation 26(4) & 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges and Secretarial Standard 2 issued by ICSI, information about the directors proposed to be re-appointed and seeking approval for revision in remuneration is furnished below:

Mrs. Jigisha Patel aged 69 has done Bachelor of Arts (B.A.) from Calcutta. She is having rich knowledge in supervising and coordinating the administration. She is a professional with good experience of Managing Skills and Handling Team. She possesses a diverse and wide ranging experience and knowledge of Corporate Affairs

She is also director in Arrow Business Advisory Pvt Ltd., LQ Arrow Security Products (India) Pvt. Ltd. and Advance Iris Seprinto Private Limited. As on 31st March 2026, she held 16,97,205 shares in the Company.

Mr. Shilpan P Patel, aged 70 years, hold a Master's degree in Business Administration from Sam Houston University, Texas, USA. He majored in Economics and Marketing. He did his graduation in Commerce from H.L. College of Commerce, Ahmedabad in India. He finished his schooling from St. Xavier's Highschool, Ahemedabad. In 1979-80 he gained experience in coating industry from Grace Paper Industries Pvt. Ltd and worked there for a period of 9 years. In 1990 he developed Water Soluble Film, which is a product of indigenous research and has very strong bearing on environment. In the year 2000 the product (Water Soluble Film) won the India Star Award. Mr. Shilpan P Patel is an inventor and has various patents granted to his credits. These patents have been granted in USA, Europe, South Africa, Australia and India and are based on Water Soluble Films and Green Technologies. These granted patents are assigned to Arrow Greentech Ltd, and are in public domain.

He is also director in Arrow Business Advisory Pvt Ltd., Arrow Secure Technology Pvt Ltd., Grace Paper Industries Pvt. Ltd., Sparrow Biopolymer Products Private Limited, Arrow Agri-Tech Pvt. Ltd., Avery Pharmaceuticals Pvt. Ltd., LQ Arrow Security Products (India) Pvt. Ltd., Arrow Green Technologies (UK) Ltd., Advance IP Technologies Limited and Advance Secure Products B.V.. He is also a member of CSR Committee of the Company. As on 31st March 2026, he held 52,39,557 shares in the Company.

Mr. Neil S Patel, aged 40 years, is Msc. (Bio medical science) from Kingston College, London. He possesses good entrepreneurship skills. He is associated with the Company since last 2009. He is also Director in Avery Bio-Degradable Products Private Limited, Arrow Agri-Tech Private Limited, Arrow Business Advisory Private Limited, Avery Pharmaceuticals Private Limited, Arrow Secure Technology Pvt. Ltd. and Advance Iris Seprinto Private Limited and Arrow Green Technologies (UK) Ltd. & Advance IP Technologies Ltd. He is also a member of Audit Committee and Stakeholder Relationship Committee of the Company.

As on 31st March 2026, he held 4,10,272 shares in the Company.

Explanatory Statement as required under Section 102(1) of the Companies Act, 2013:

Item No. 4:

M/s Haribhakti & Co. LLP, Chartered Accountants, were re-appointed as the Statutory Auditors at the 29th Annual General Meeting of the Company held on September 29, 2021, for a period of five years i.e., from financial year 2021-22 to financial year 2025-26, to hold office till the conclusion of the 34th Annual General Meeting of the Company.

Accordingly, Haribhakti & Co. LLP would be completing their second term as the Statutory Auditors of the Company at this Annual General Meeting. Upon recommendation of the Audit Committee, the Board of Directors of the Company at their Meeting held on August 13, 2026, have recommended, the appointment of M/s KNAV & Co LLP, Chartered Accountants (Firm Registration No. 120458W/W100679), as the Statutory Auditors of the Company. M/s KNAV & Co LLP have confirmed their eligibility for appointment under Section 139 read with Section 141 of the Companies Act, 2013.

M/s KNAV & Co LLP will hold office for a period of 5 (five) consecutive years from the conclusion of the ensuing 34th Annual General Meeting of the Company till the conclusion of the 39th Annual General Meeting subject to the approval by the Shareholders at the ensuing Annual General Meeting.

KNAV & CO. LLP ('KNAVCO') is a firm registered under the Institute of Chartered Accountants of India ('ICAI') and is a member firm of KNAV International Limited ('KNAV'). KNAV & CO. LLP is in existence for 26 + years. The partners of the firm put together have an experience of 100+ years. KNAV along with its partners have a rich experience in diverse sectors. KNAV partners have an experience of audit of large multinational and listed companies in India.

KNAVCO has received a 'Clean Peer Review Report' valid upto August 31, 2027. KNAVCO has also received a Level IV firm rating (which is the highest level of rating) in the review of AQMM 1.0.

The proposed remuneration to be paid to M/s KNAV & Co LLP for audit services for the financial year ending March 31, 2027, is Rs.23.50 Lakhs plus applicable taxes and out-of-pocket expenses. Besides the audit services, the Company would also obtain certifications from the statutory auditors under various statutory regulations and certifications required by banks, statutory authorities, audit related services and other permissible non-audit services as required from time to time, for which they will be remunerated separately on mutually agreed terms, as approved by the Board of Directors in consultation with the Audit Committee.

The Audit Committee and the Board of Directors shall consider approval of revisions to the remuneration of the Statutory Auditors for the remaining part of the tenure. The Board of Directors, in consultation with the Audit Committee, may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

None of the Directors and/ or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4.

The Board recommends the resolution set forth in Item No. 4 for the approval of Members as an Ordinary Resolution.

Item No. 5: Ratification of Remuneration to Cost Auditors for FY 2026-27

The Board, on the recommendation of the Audit Committee, has approved in its meeting held on August 13, 2026, the re-appointment of Mr. Dilip M Bathija, Cost Accountants, Mumbai, at a remuneration of Rs.80,000/- (Rupees Eighty Thousand only) excluding applicable Tax to conduct the Cost Audit of the Company for the financial year 2026-27.

In accordance with the provisions of Section 148 (3) of the Companies Act, 2013 read with Rule 14 of Companies (Audit & Auditor Rules), 2014, the remuneration payable to the Cost Auditor is required to be ratified by the members of the Company.

None of the Directors, Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the resolution. The Board of Directors recommends the Ordinary Resolution for your approval.

Item No. 6: Revision in remuneration of Mr. Shilpan P Patel (DIN: 00341068), Chairman and Managing Director of the Company

Mr. Shilpan P Patel is a highly qualified and accomplished entrepreneur with extensive and diverse experience across various areas of business. His strong professional approach, strategic vision and exceptional business acumen have played a significant role in the growth and development of the Company. Through his foresight, dedication and leadership, the Company has continued to achieve new milestones and strengthen its position. The Directors are confident that, under his able guidance and management, the Company will continue its journey of sustainable growth and achieve greater success in the future.Considering his valuable efforts and on recommendation of Nomination and Remuneration Committee, the Board of Directors at their meeting held on August 03, 2024 re-appointed him as a Chairman & Managing Director of the Company w.e.f. April 01, 2025 to March 31, 2030, which was subsequently approved by Shareholders in the 32nd AGM of the Company at a remuneration of Rs.9,00,000 per month plus other perquisites like, Provident Fund, Gratuity, etc. During his tenure, he shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013.

Keeping in view the above and Industrial standards and with a recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company has, in its meeting held on August 13, 2026, unanimously recommended the increase in the remuneration of Mr. Shilpan P Patel, Chairman and Managing Director of the Company from Rs. 9,00,000/- per month to Rs. 11,70,000/- per month, for the remaining tenure of his appointment.

The specific terms of remuneration payable to Mr. Shilpan Patel as Managing Director and other main terms and conditions of the appointment are as under:

1) **Remuneration payable:**
   - (a) Salary of Rs.11,70,000/- per month (Rs. 1,40,40,000/- per annum) which includes basic salary and other allowances.
   - (b) Other perquisites
     - i) Chauffeur driven Company car.
     - ii) Superannuation Scheme, benefits of Gratuity, earned leave and encashment of leave as per rules of the Company.
     - iii) He shall be entitled to be reimbursed in respect of all expenses incurred by him (including travelling, entertainment, etc.) for and on behalf of the company.
   - (c) In the event of loss or inadequacy of profits, he shall be paid the above remuneration, except commission on profits and subject to provisions of Schedule V and other applicable provisions of Company's Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
2) **Termination:** Appointment may be terminated by either party by giving to the other party three months' notice.
3) **Other Terms**
   - i. Subject to superintendence, control and direction of the Board of Directors of the Company, the Managerial Personnel shall exercise and perform such powers and duties as the Board of Directors of the Company ("the Board") may from time to time determine and shall also do and perform all such other acts, things and deeds which in the ordinary course of business he considers necessary in the interest of the Company.
   - ii. The Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Companies Act, 2013 with regard to duties of directors.
   - iii. The Managerial Personnel shall adhere to the Company's Code of Conduct for Directors and Senior Management.
   - iv. All the personal policies of the company and related Rules which are applicable to other employees of the company shall also be applicable to the Managerial Personnel, unless specifically provided otherwise.

v. The Company shall reimburse the Managing Director expenses incurred by him for the purpose of the business of the Company in accordance with the Company's policies, practices and procedures.

NOTES:-

(a) Net profit for this purpose shall be as per computation of net profit as per Section 198 of the Companies Act, 2013.

(b) The remuneration package is well within the overall limit prescribed under Schedule V to the Companies Act, 2013, which permits the company to pay overall managerial remuneration upto 10% of net profit to Managing director/ Whole Time Director/Manager in any financial year with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and remuneration as it may deem fit and as may be acceptable to Mr. Shilpan P Patel, subject to the same not exceeding the limits specified under Section 197, Schedule V to the Companies Act, 2013 or such other limits as may be prescribed from time to time or any statutory modification(s) or re-enactment thereof;

None of the Directors / Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in resolutions set-out under item no. 6 except Mr. Shilpan P Patel,Mr. Neil S Patel, Jt. Managing Director and Mrs. Jigisha Patel, Non Executive Non Independent Woman Director of the Company and other relatives of Mr. Shilpan Patel are interested in the resolution as set out at Item No. 6 of the Notice.

The informations as regards Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is disclosed hereinafter and forms part of this notice.

The Board recommends the Ordinary Resolutions set out at Item No. 6 of the Notice for approval by the shareholders.

Item No. 7: Revision in remuneration of Mr. Neil S Patel (DIN: 00607101), Jt. Managing Director of the Company

Mr. Neil S Patel is a well qualified person and is a prominent and successful Entrepreneur with a wide and varied experience. Mr. Patel has professional approach with great business acumen. Due to his foresightedness and hard work, the Company is achieving greater heights. Your Directors foresee a bright future of the Company under his management. Considering his valuable efforts and on recommendation of Nomination and Remuneration Committee, the Board of Directors at their meeting held on August 03, 2024 re-appointed him as a Jt. Managing Director of the Company w.e.f. April 01, 2025 to March 31, 2030, which was subsequently approved by Shareholders in the 32nd AGM of the Company at a remuneration of Rs.9,00,000 per month plus other perquisites like Provident Fund, Gratuity, etc. During his tenure, he shall be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013.

Keeping in view the above and Industrial standards and with a recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company has, in its meeting held on August 13, 2026, unanimously recommended the increase in the remuneration of Mr. Neil S Patel, Jt. Managing Director of the Company from Rs. 9,00,000/- per month to Rs. 11,70,000/- per month, for the remaining tenure of his appointment.

The specific terms of remuneration payable to Mr. Neil Patel as Jt. Managing Director and other main terms and conditions of the appointment are as under:

a. Salary: Rs.11,70,000/- per month (Rs. 1,40,40,000/- per annum)

Other perquisites

i) Chauffeur driven Company car.

ii) Superannuation Scheme, benefits of Gratuity, earned leave and encashment of leave as per rules of the Company.

iii) He shall be entitled to be reimbursed in respect of all expenses incurred by him (including travelling, entertainment, etc.) for and on behalf of the company.

(c) In the event of loss or inadequacy of profits, he shall be paid the above remuneration, except commission on profits and subject to provisions of Schedule V and other applicable provisions of Company's Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

2) Termination: Appointment may be terminated by either party by giving to the other party three months' notice.

3) Other Terms

i. Subject to superintendence, control and direction of the Board of Directors of the Company, the Managerial Personnel shall exercise and perform such powers and duties as the Board of Directors of the Company ("the Board") may from time to time determine and shall also do and perform all such other acts, things and deeds which in the ordinary course of business he considers necessary in the interest of the Company.

ii. The Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Companies Act, 2013 with regard to duties of directors.

iii. The Managerial Personnel shall adhere to the Company's Code of Conduct for Directors and Senior Management.

iv. All the personal policies of the company and related Rules which are applicable to other employees of the company shall also be applicable to the Managerial Personnel, unless specifically provided otherwise.

vi. The Company shall reimburse the Managing Director expenses incurred by him for the purpose of the business of the Company in accordance with the Company's policies, practices and procedures.

NOTES:-

(a) Net profit for this purpose shall be as per computation of net profit as per Section 198 of the Companies Act, 2013.

(b) The remuneration package is well within the overall limit prescribed under Schedule V to the Companies Act, 2013, which permits the company to pay overall managerial remuneration upto 10% of net profit to Managing director/ Whole Time Director/Manager in any financial year with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and remuneration as it may deem fit and as may be acceptable to Mr. Neil S Patel, subject to the same not exceeding the limits specified under Section 197, Schedule V to the Companies Act, 2013 or such other limits as may be prescribed from time to time or any statutory modification(s) or re-enactment thereof;

None of the Directors / Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in resolutions set-out under item no. 7 except Mr. Neil S Patel, Mr. Shilpan P Patel, Chairman & Managing Director and Mrs. Jigisha Patel, Non Executive Non Independent Woman Director of the Company and other relatives of Mr. Neil S Patel are interested in the resolution as set out at Item No. 7 of the Notice.

The informations as regards Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is disclosed hereinafter and forms part of this notice.

The Board recommends the Ordinary Resolutions set out at Item No. 7 of the Notice for approval by the shareholders.

Item No. 8:

Pursuant to Section 188 and any other applicable provisions of the Companies Act 2013 ("Act") and Rules framed thereunder and as per Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) as amended from time to time, all Related Party Transactions (RPT) shall require prior approval of the Audit Committee and all Material Related Party Transactions shall require prior approval of the Members.

Advance Business Solutions (ABS) is related party of the Company as per the Act read with Rules, Listing Regulations and as per applicable Indian Accounting Standard (IND-AS). Your Company is in manufacturing of Green Products & Hightech Products. Your Company has been purchasing materials from Advance Business Solutions and has business relationship.

As per Regulation 23 of Listing Regulations a transaction with a related party shall be considered material, if the transaction/transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds Ten Per Cent of the Annual Consolidated Turnover of the Listed Entity, if the Turnover of the Listed Entity as per the last Audited Financial Statements of the Listed Entity is upto 20,000 crores. All Material Related Party Transactions shall require prior approval of the Members.

The proposed transactions, being of operational and critical nature to the business of the Company, play a significant role in the Company's growth. Therefore, in order to secure continuity of operations and ensure smooth running of the operations of the Company, the Board of Directors of the Company on recommendation of Audit Committee at its meeting held on August 13, 2026 approved the limit of Rs.70/- Crore per annum (plus applicable taxes) from the ensuing 34th Annual General Meeting till the 35th Annual General Meeting to be held in Calendar Year 2027.

The Members of the Company at its 33rd (Thirty-Third) Annual General Meeting held on September 22, 2025 approved material RPTs with Advance Business Solution(s) for an aggregate limit of Rs.70 Crores p.a. (excluding taxes).

In compliance with the said Listing Regulations, the Audit Committee of the Company has reviewed and approved the said ongoing transactions. These transactions are material in terms of Regulation 23 of the Listing Regulations and therefore, the Board has proposed the same to be placed before the Members for their approval as an Ordinary Resolution at the ensuing Annual General Meeting (AGM). The details thereof as per the applicable provisions of the Companies Act, 2013 and the Rules issued thereunder (as applicable), and relevant SEBI guidelines/circulars are as under:

The key details as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as below:

	MINIMUM INFORMATION FOR RELATED PARTY TRANSACTIONS	
Sr. No.	**Particulars of the information**	**Information provided by the management**
Part A	**Minimum information of the proposed RPT**	
A1	**Basic details of the related party**	
1	Name of the related party	Advance Business Solutions
2	Country of incorporation of the related party	India
3	Nature of business of the related party	Advance Business Solutions is engaged in the business of trade, manufacture, import, export, buy, sell, exchange, consultancy, commission agent and otherwise deal in inks, varnish, pigments, lacquers and other chemicals.
A2	**Relationship and ownership of the related party**	
1	Relationship between the listed entity/ subsidiary (in case of transaction involving the subsidiary) and the related party – including nature of its concern (financial or otherwise) and the following:	Advance Business Solutions is a partnership firm in which Mrs. Jigisha Patel wife of Mr. Shilpan Patel, Mr. Rishil Patel son of Mr. Shilpan Patel and Mrs. Manisha Sindhi wife of Mr. Neil Patel are partners.
	Shareholding of the listed entity/subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party	NA
	Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/subsidiary (in case of transaction involving the subsidiary).	NA
	Shareholding of the related party, whether direct or indirect, in the listed entity/subsidiary (in case of transaction involving the subsidiary).	NA
A3	**Details of previous transactions with the related party**	
1	Total amount of all the transactions undertaken by the listed entity or its subsidiary with the related party during the last financial year.	Nature of Transaction FY 2025-26 Purchase of Goods - Rs. 41.7 Crores
2	Total amount of all the transactions undertaken by the listed entity or its subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.	Rs. 32.2 Crores

3	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year	No default made by any Related Party
A4	**Amount of the proposed transactions (All types of transactions taken together)**	
1	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.	Rs. 70 Crores
2	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	Yes
3	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year.	33%
4	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary, and where the listed entity is not a party to the transaction)	NA
5	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.	166%
6	Financial performance of the related party for the immediately preceding financial year	Particulars FY 2025-26 (₹ In Crores) (Provisional) Turnover - Rs. 42.8 Crores PAT – Rs. 8.1 Crores Networth – Rs. 5.2 Crores
A5	**Basic details of proposed transactions to be approved**	
1	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.)	Sale, purchase or supply of and goods or material, Selling or otherwise disposing of or buying, Leasing of Property of any kind, Availing or Rendering of any services
2	Details of the proposed transaction	Sale, purchase or supply of and goods or material, Selling or otherwise disposing of or buying, Leasing of Property of any kind, Availing or Rendering of any services
3	Tenure of the proposed transaction (tenure in number of years or months to be specified)	w.e.f. 34th AGM Till 35th AGM
4	Whether omnibus approval is being sought?	Yes

5	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	Value of the proposed transaction is Rs. 70 Crores. Approval of the members is being sought for material RPTs for Fy27.
6	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity.	Proposed transaction will result into increase in business of the Company
7	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly. A. Name of the Director/KMOP B. Shareholding of the director / KMP, whether direct or indirect, in the related party	Sr No. / Name of the Director / Nature of Relationship / Share of Profit/Loss in the Partnership firm 1. Mr. Shilpan Patel / Mr. Rishil Patel son of Mr. Shilpan Patel is Partner / 33.33% 2. Mrs. Jigisha Patel / Patner / 33.33% 3. Mr. Neil Patel / Mrs. Manisha Sindhi wife of Mr. Neil Patel is partner. / 33.34%
8	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	N.A. However the transactions are in line with the Company's Internal Policy on dealing with Related Party Transactions. These transactions are on arm's length basis and in the ordinary course of business.
9	Other information relevant for decision making	All relevant information forms a part of this disclosure setting out requisite facts.
PART B	**Additional Information**	
	Disclosure only in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances	
1	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services	In line with policies of the Company and the business practice followed for all its customers, no bids are invited by the Company
2	Basis of determination of price	Based on commercial negotiations, on arm's length basis, as far as possible and in line with market parameters.
3	In case of Trade advance (of upto 365 days or such period for which such advances are extended as per normal trade practice), if any, proposed to be extended to the related party in relation to the transaction, specify the following: a. Amount of trade advance b. Tenure c. Whether same is self-liquidating?	Not Applicable, the Company has not received any trade advances.

Except Directors mentioned above none of other Directors and Key Managerial Personnel or their respective relatives are in any way concerned or interested, financially or otherwise, in this Resolution.

Accordingly, the Board recommends the Resolution set out in Item No.8 of the Notice for approval by the Members as an Ordinary Resolution.

Mumbai, August 13, 2026

By order of the Board of Directors
For Arrow Greentech Limited

Registerted Office:
1/F Laxmi Industrial Estate, New Link Road,
Andheri WestMumbai – 400053
CIN: L21010MH1992PLC069281
Website: www.arrowgreentech.com

Poonam Bansal
Company Secretary

DIRECTORS' REPORT

To,

The Members,

The Directors of Arrow Greentech Limited present the 34th Annual Report on the operations of the Company, together with the Audited Accounts for the year ended 31st March, 2026.

(Rupees in lakhs)

Particulars	Standalone		Consolidated	
	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Total income	16,470	20,602	20,904	24,861
Profit before finance cost, Depreciation and Amortization expenses	6,346	8,774	7,311	9,361
Less : Finance Cost	31	12	38	21
Less : Depreciation and Amortization expenses	530	473	777	740
Profit Before Tax	5785	8,289	6,496	8,600
Less : Provision for Taxation				
- Current Tax	1,480	2,084	1,744	2,340
- Deferred Tax	(0)	3	(43)	(53)
- Earlier Year Tax Adjustment	56	12	56	12
Profit After Tax	4,249	6,190	4,739	6,301
Other Comprehensive Income	7	(6)	478	128
Total Comprehensive Income for the year	4,256	6,184	5,217	6,429

Indian Accounting Standard

Financial Statement has been prepared in accordance with the Companies ("Indian Accounting Standards") Rules, 2015 (IND AS) prescribed under Section 133 of the Companies Act ,2013 and other recognised accounting practices and policies to the extent applicable.

Operations:

Standalone

The total income from operations including other income for the financial year under review amounted to Rs.16,470 Lacs as compared to Rs. 20,602 Lacs in the previous year. The Company has earned net profit of Rs 4,256 Lacs (including other comprehensive income) as compared to Rs.6,184 Lacs in the previous year.

Consolidated

The total income from operations including other income for the financial year under review amounted to Rs.20,904 Lacs as compared to Rs. 24,861 Lacs in the previous year. The Company has earned net profit of Rs 5,217 Lacs (including other comprehensive income) as compared to Rs.6,429 Lacs in the previous year.

Business outlook and future prospects:

Business outlook and future prospects of the Company is discussed in detail in Management Discussion and Analysis Report attached herewith.

Dividend

Your Directors have recommended a Dividend of 50% on 1,50,87,938 Equity Shares of the face value of Rs. 10/- i.e. Rs.5/- per equity share for the financial year ended 31st March 2026 subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company. The dividend would be payable to all those Shareholders whose names appear in the Register of Members as on the Book Closure Date.

Public Deposits

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

Conservation of Energy, Technology absorption and Foreign Exchange earnings and outgo:

(a) Conservation of Energy and Technology Absorption

(i) The Company has paid special attention to the conservation of energy as a matter of principal and policy. This has been reflected in the selection of equipment at the project stage. The cost of power has kept to the minimum by optimum operation. Regular preventive maintenance has helped to operate unit efficiently.

(ii) Additional investment and proposals, if any, are being implemented for reduction of Conservation of Energy.

(iii) Impact of the measures at (i) and (ii) above for reduction of energy consumption and consequent impact on the cost of production of goods is not ascertainable.

(b) Foreign Exchange earning and outgo

Foreign Exchange earnings – Rs.1331 Lakhs (previous year Rs. 610 Lakhs)

Foreign Exchange outgo – Rs.1809 Lakhs (previous year Rs. 1461 Lakhs)

Auditors And Auditors' Report

Statutory Auditors

Members of the Company at the AGM held on September 29, 2021, approved the re-appointment of M/s. Haribhakti & Co. LLP, as the statutory auditors of the Company to hold office for their second term of 5 (five) years from the conclusion 29th Annual General Meeting till the conclusion of 34th Annual General Meeting for the financial year 2025-26. The report of the Statutory Auditor forms part of the Annual Report.

The notes on financials statement referred to in the Auditor's report are self explanatory and do not call for further comments. The auditors report do not contain any qualification, adverse remarks.

Secretarial Auditor:

Pursuant to the provisions of Regulation 24A of the SEBI Listing Regulations and Section 204 of the Act, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, based on the recommendation of the Audit Committee and the Board of Directors, Members of the Company at the Annual General Meeting held on September 22, 2025, approved the appointment of Mr. Rajendra Vaze, Company Secretary in Practice (FCS No.4247, Certificate of Practice No. 1975), as the Secretarial Auditor of the Company for a term of five (5) consecutive years, commencing from April 1, 2025 until March 31, 2030.

The Members also approved the remuneration for FY 2025-26 payable to the Secretarial Auditor and authorised the Board of Directors to finalise the terms and conditions of the appointment, including remuneration of the Secretarial Auditor for the remaining period, based on the recommendation of the Audit Committee.

The Secretarial Audit Report for the Financial Year ended March 31, 2026, issued by the Secretarial Auditor, does not contain any qualification, reservation, adverse remark or disclaimer. The said Report is annexed to this Board's Report as ANNEXURE I.

Internal Auditor:

The Company has appointed M/s. J.A. Rajani & Co., Chartered Accountants, Mumbai as its Internal Auditor. The internal Auditor monitors and evaluates the effectiveness and adequacy of internal control system in the Company, its compliances with operating systems, accounting procedure and policies at all locations of the Company and reports the same on quarterly basis to the Audit Committee.

Cost Auditors:

Pursuant to Section 148(1) of the Act, the Company has, during the year under review, maintained such cost accounts and records as specified by the Central Government. The said cost accounts and records for FY 2025–26 are subject to audit by Mr. Dilip M Bathija, Cost Auditors of the Company.

The Board has re-appointed Mr. Dilip M Bathija, Cost Accountant as Cost Auditors of the Company for conducting cost audit for FY 2026-27. A resolution seeking approval of the Shareholders to ratify the remuneration payable to the Cost Auditors for FY 2026-27 will be provided in the Notice of the ensuing Annual General Meeting. The Cost accounts and records as required to be maintained under Section 148 (1) of the Act are duly made and maintained by the Company

Particulars of Loans, Guarantees or Investments:

The company has not given any guarantees covered under the provisions of section 186 of the Companies Act,2013.

The details of the Loans given & investments made by company is given in the notes to the financial statements.

Subsidiaries

As on March 31, 2026 there were 4 subsidiaries and 2 step down subsidiary of the Company:

Direct Indian subsidiary:

Arrow Secure Technology Private Limited (WOS of the Company)

Avery Pharmaceuticals Private Limited (WOS of the Company)

LQ Arrow Security Products (India) Private Limited

Direct Foreign subsidiary:

Arrow Green Technologies (UK) Limited (WOS of the Company)

Step down subsidiary:

Advance IP Technologies Limited (Subsidiary of Arrow Green Technologies (UK) Limited)

Advance Secure Products B.V. (Subsidiary of Arrow Green Technologies (UK) Limited)

Pursuant to Section 129(3) of the Act, a statement containing the salient features of the financial statements of each of the subsidiary in the prescribed form AOC-1 as ANNEXURE II to this Report, the financial statements of the subsidiaries are kept for inspection by the shareholders at the Registered Office of the Company. The said financial statements of the subsidiaries are also available on the website of the Company www.arrowgreentech.com under the Investors Section.

A report on the performance and financial position of the each of the subsidiaries in the AOC-1 is annexed to the report and hence not repeated here for the sake of brevity, under Rule 8 of the Companies (Accounts) Rules, 2014.

The Company has also formulated a Policy for determining material subsidiaries, which is uploaded on the website of the Company i.e. www.arrowgreentech.com and can be accessed at https://arrowgreentech.com/images/policies/Policy_on_Material_Subsidiaries.pdf

Consolidated Financial Statements

Your Directors have pleasure in attaching the Consolidated Financial Statements pursuant to Section 129(3) of the Act and SEBI Listing Regulations and prepared in accordance with the Accounting Standards prescribed by the Institute of Chartered Accountants of India, in this regard.

In accordance with the Section 129(3) of the Act and Accounting Standard (Ind AS 110) on Consolidated Financial Statements, the audited Consolidated Financial Statements are provided in this Annual Report.

Corporate Governance

Your Company is in compliance with the Corporate Governance guidelines, as laid out in the SEBI Listing Regulations.

As per Regulation 34 (3) read with Schedule V of the SEBI Listing Regulations, a separate section on corporate governance practices, followed by the Company, together with a certificate from M/s. Haribhakti & Co., LLP, Chartered Accountants, confirming compliance forms an integral part of this Report.

The annual report of the Company contains a certificate by the Chairman and Managing Director in terms of SEBI Listing Regulations on the compliance declarations received from the Directors and the Senior Management personnel and a Certificate by M/s. Haribhakti & Co., LLP, Chartered Accountants, who have examined the requirements of Corporate Governance with reference to SEBI Listing Regulations and have certified the compliance, as required under SEBI Listing Regulations.

Internal control systems and their adequacy:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the Internal Audit Manual. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board & to the Chairman & Managing Director.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

Internal Financial Controls

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and the auditor has not identified any material weakness relating to financial reporting

Extract of Annual Return:

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "ANNEXURE III".

SHARE CAPITAL

The Paid up Share Capital as on March 31, 2026 was Rs.15.09 crore. During the year under review, the Company has not issued any shares.

EMPLOYEE STOCK OPTIONS

The Company implemented a broadbased employee stock ownership program namely 'Arrow Greentech ESOP Scheme 2024' (Scheme) as a strategic initiative aimed at rewarding the employees for their dedicated service. The Scheme aims to reinforce employees' commitment, acknowledge their dedication, and align their interests with the long-term success of the Company.

The Board of Directors of the Company, based on the recommendations of the Nomination and Remuneration Committee ("the Committee" or "NRC") deems it beneficial to extend the Scheme's benefits to the employees of the Company. This attract the relevant talent into the Company to drive its growth plans.

Arrow Greentech ESOP Scheme 2024 comprises periodic Grants which may be determined by the Committee from time to time which shall be based on the factors such as performance of the employee for the past financial years (or for the period of his service), onboarding incentive for new employees, attracting talent, position and responsibilities of the concerned employee, the nature and tenure of employee's services to the Company, the employee's present and potential contribution to the success of the Company and such other factors as the Committee deems relevant for accomplishing the purpose of the Scheme..

Accordingly, the Members of the Company at the 32nd Annual General Meeting (AGM) held on September 16, 2024 approved the 'Arrow Greentech ESOP Scheme 2024' to create and grant from time to time, in one or more tranches, not exceeding 2,25,000 (Two Lakhs Twenty Five Thousand) employee stock options equity shares of face value of INR 10/- (Rupees Ten only) each fully paid-up.

The Board of Directors hereby confirm that there has been no material change in the Scheme as on the date of this report and the Scheme is in compliance with the applicable provisions of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

Directors and Key Managerial Personnel

During the financial year ended 31st March, 2026, no changes took place in the composition of the Board of Directors of the Company.

Pursuant to the provisions of the Companies Act, 2013 and Article of Association of the Company, Mrs. Jigisha Patel, Non Executive Non Independent Women Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer herself for re-appointment. The Board recommends her appointment.

All the Directors of the Company have confirmed that they are not disqualified from being appointed as directors in terms of Section 164 of the Companies Act, 2013.

Details of the Director seeking appointment at the Annual General Meeting, as required in terms of Regulation 36(3) of the SEBI Listing Regulations is provided in the Annexure to the Explanatory Statement to the Notice.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company are Mr. Shilpan Patel, Chairman & Managing Director, Mr. Neil Patel, Jt. Managing Director, Mr. Hitesh Punglia, Chief Financial Officer and Mrs. Poonam Bansal, Company Secretary. The Remuneration and other details of Key Managerial Personnel for the financial year ended March 31, 2026 are mentioned in the Extract of the Annual Return which is attached to the Board's Report.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulation 2015, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Appointment & Remuneration Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

Meetings

During the year four Board Meetings and four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Further, a separate Meeting of the Independent Directors of the Company was also held on 13th February, 2026, where at the prescribed items enumerated under Schedule IV to the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, were discussed.

Audit Committee

An Audit Committee is in existence in accordance with the provisions of Section 177 of the Companies Act, 2013. Kindly refer to the section on Corporate Governance, under the head, 'Audit Committee' for matters relating to constitution, meetings and functions of the Committee.

Vigil Mechanism / Whistle Blower Policy:

In compliance with provisions of section 177(9) and (10) of the Companies Act, 2013 read with Regulation 22 of the Listing Regulations, your Company has adopted whistle blower policy for Directors and employees to report genuine concerns to the management of the Company. The whistle blower policy of the Company is posted on the website of the Company and may be accessed on the Company's website at the link: http://www.arrowgreentech.com/images/policies/Whistle%20Blower%20Policy.pdf

Nomination and Remuneration Committee

A Nomination and Remuneration Committee is in existence in accordance with the provisions of subsection (3) of Section 178 of the Companies Act, 2013. Kindly refer to the section on Corporate Governance, under the head, 'Nomination and Remuneration Committee' for matters relating to constitution, meetings, functions of the Committee.

Nomination and Remuneration Policy

The Nomination and Remuneration Policy recommended by the Nomination and Remuneration Committee is duly approved by the Board of Directors of the Company and the Remuneration Policy of the Company may be accessed on the Company's website at the link: http://www.arrowgreentech.com/images/policies/nomination-remuneration-policy.pdf

Corporate Social Responsibility Initiatives

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company during the year are set out in Annexure IV of this report as per the format prescribed in Companies (Corporate Social Responsibility Policy) Rules, 2014.

The CSR Policy may be accessed on the Company's website at the link: https://arrowgreentech.com/images/policies/CSR_Policy.pdf

Related Party Transactions:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

Particulars of Employees and related disclosures

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Financial Statement are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company upto the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

Risk management policy

Pursuant to the requirement of Section 134 (3) (n) of the Act, the Company has in place a structured risk management policy. The Risk management process is designed to safeguard the organisation from various risks through adequate and timely actions. It is designed to anticipate, evaluate and mitigate risks in order to minimize its impact on the business.

Directors' Responsibility Statement

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

I) in the preparation of the annual accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;

ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are responsible and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended on 31st March, 2026 and of the profit/loss of the Company for the period under review;

iii) the directors had taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv) the annual accounts/financial statement have been prepared on a 'going concern' basis.

v) 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.

vi) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

Industrial Relations:

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

General

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report.

2. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
3. Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Acknowledgements:

Your Directors would like to express their grateful appreciation for the assistance and co-operation received from the Financial Institution, Banks, Government Authorities, Vendors and Shareholders and all organizations connected with its business during the year under review. Your Directors also wish to place a record their deep sense of appreciation for the committed services of Executives, Staff and Workers of the Company.

For and on behalf of the Board of Directors

Shilpan P Patel
Chairman & Managing Director
DIN:00341068

Place: Mumbai
Date:22nd May 2026

ANNEXURE I

FORM NO. MR 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 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,
Arrow Greentech Limited.,
1/F, Laxmi Industrial Estate,
New Link Road,
Andheri (W),
Mumbai 400 053

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Arrow Greentech Limited (CIN: L21010MH1992PLC06928)** (hereinafter called The Company).Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. It is further stated that We have relied up on the scanned documents and other papers in digital electronic mode and we have relied on the basis of various certificates issued by the company as well as any explanation/representation submitted to us by the official of the company for the financial year ended 31st March 2026.

Based on my/our verification of The Company's books, papers, minute books, forms and returns filed and other records maintained by The Company and also the information provided by The Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my/our opinion, The Company has, during the audit period covering the financial year **ended on March 31, 2026** complied with the statutory provisions listed here under and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We 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;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

(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, 1992;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements)Regulations, 2009. .

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme)Guidelines, 1999**(Not applicable to The Company during the Audit period)**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations,2008.**(Not applicable for The Company during the audit period)**

(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;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009**(Not applicable to The Company during the Audit Period)**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998**(Not applicable to The Company during the Audit Period)**

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015

Other Laws applicable to The Company Viz:

1. The Factories Act 1948 and Rules and Regulations there under

2. The Industries (Development & Regulation) Act1951

3. Various Labour Laws and other incidental Laws related to Labour as under:

   a. The payment of Wages Act 1936
   b. The minimum wages Act 1948.
   c. The payment of Bonus Act 1965
   d. The Child Labour (prohibition and Regulation) Act 1986.
   e. The Employees Provident Fund and Miscellaneous Provisions Act 1952
   f. Employees State Insurance Act 1948

4. Income Tax Act, 1961 related to Tax Deducted at source and related to Advance tax

5. Land Revenue laws of respective States.

6. Goods and Service Tax Act.

7. Patents Act.

8. The Maharashtra Rent Control Act, 1999

We have relied on the representation/certificates issued by The Company and its Officers for systems and mechanism formed by the Company for compliance under other applicable Acts, Laws, and Regulations to The Company.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreement entered into by The Company with National Stock Exchange Limited and Bombay Stock Exchange Limited

During the period under review The Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of The Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

We further report that during the audit period, the Company has passed one special Resolution

For continuation of tenure of Mr. Shilpan Patel (DIN: 00341068) as Chairman & Managing Director of the Company upon attaining the age of 70 (Seventy) years.

On the basis of information we further report that during the Audit Report there were no instances of

1. Public/Rights/Preferential issue of shares and or any securities.

2. Redemption/Buy Back of any securities.

3. Merger/Amalgamation/Reconstruction.

4. Foreign Technical Collaborations.

We further report that other than above no specific events occurred which had the bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For Rajendra and Co.,
Company Secretaries

(CS Rajendra Vaze)
Company Secretary

FCS No : .4247
C.P. No : 1975

UDIN : F004247H000443312

Place : Mumbai
Date : 22nd May, 2026

Peer Review No 2807/2022
Unique Identification No S1993MH011200

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral Part of this Report.

ANNEXURE A

To The members
Arrow Greentech Limited

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of the records by the company. We have conducted our audit in accordance with the auditing standards prescribed by The Institute of Company secretaries of India (ICSI) Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or certain non- compliance may not be detected, even though the audit is properly planned and performed as per the auditing standards of ICSI.

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

1. Maintenance of secretarial record is the responsibility of the management of The Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process 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 secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of The Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, Rules and Regulations and happening of events, etc

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of The Company nor of the efficacy or effectiveness with which the management has conducted the affairs of The Company.

For Rajendra and Co.,
Company Secretaries

(CS RajendraVaze)
Company Secretary

FCS No . 4247
C.P. No 1975

UDIN : F004247H000443312

Place: Mumbai
Date : 22nd May, 2026

Peer Review No 2807/2022
Unique Identification No S1993MH011200

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

ANNEXURE II AOC - 1

Salient features of Financial Statements of Subsidiaries/Associate as per Companies Act, 2013

Part A: Subsidiaries

Name of Subsidiary Company	Reporting currency & Eq. in ₹	Share capital	Reserve and surplus	Total Assets	Total Liabilities	Investment	Turnover / Total Income	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	% of shareholding
Arrow Green Technologies (UK) Limited	INR	25	1,822	1,882	34	699	318	177	-	177	-	100.00
	GBP	0.20	15	15	0	6	3	1	-	1	-	
Advance IP Technologies Limited	INR	1	972	980	7	19	336	34	-	34	-	95.00
	GBP	0.01	8	8	0	0	3	0	-	0	-	
Advance Secure Products B.V.	INR	11	1,480	2,100	610	-	3,962	1,043	264	778	205	100.00
	GBP	0.09	12	17	5	-	33	9	2	7	1.73	
Arrow Secure Technology Private Limited	INR	43	(44)	0	1	0	-	(0)	0	(0)	-	100.00
Avery Pharmaceuticals Private Limited	INR	71.45	1,120	1,952	760	0	370	(397)	(35)	(361)	-	99.65
LQ Arrow Security Products (India) Private Limited	INR	75	13	92	4	23	58	8	0	8	-	51.00

* Amount in GBP in lakhs.

Exchange rates	INR	GBP
31-Mar-26	Avg. Rate	118.41
	Closing Rate	125.63

Part B: Associate

Statement pursuant to Section 129(3) of the Act related to associate company

Name of Associate Company	Last audited Balance Sheet date	Share of associate held by the Company on the year end			Net worth attributable to share holding as per the latest audited Balance Sheet	Profit / Loss for the year		Description of how there is significant influence	Reason why associate is not consolidated
		Nos.	Amount of investment in associate	Extent of holding (%)		Considered in consolidation	Not Considered in consolidation		
SP Arrow Bio Polymer Products Private Limited	31-Mar-26	4,600	46	46%	(56)	-	(0)	Refer note 1	Refer note 2

Notes
1. Significant influence due to percentage of holding.
2. Because the company does not have more than 51% shareholding directly or indirectly, i.e. no controlling interest.

ANNEXURE III

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2026

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1	CIN	L21010MH1992PLC069281
2	Registration Date	30th October, 1992
3	Name of the Company	Arrow Greentech Limited
4	Category/Sub-category of the Company	Public Company – Limited by Shares
5	Address of the Registered office & contact details	1/F Laxmi Industrial, Estate New Link Road , Andheri (West) Mumbai 400 053, Maharashtra Ph: 022 4974 3758 Email – poonam@arrowgreentech.com
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. MUFG Intime India Private Limited C 101, 247 Park,L.B.S.Marg, Vikhroli (West),Mumbai - 400083. Tel No. 022- 49186000 / Fax No. 022- 49186060

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY
(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacturing of Water Soluble Film	222	20
2	Royalty Income -Patent	77	1
3	Anti Counterfeit Products	139	72
4	Other	46	8

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	**Arrow Secure Technology Pvt. Ltd.** 159, Mittal Industrial Estate, Sanjay Building No.5/B, Marol Naka Andheri (East) Mumbai, MH 400059 IN	U74999MH2006PTC165191	Subsidiary	100%	2(87)
2	**Arrow Green Technologies (UK) Ltd** 291 Mather Avenue, Liverpool, United Kingdom, L18 9UD	Foreign Company	Subsidiary	100%	2(87)
3	**Avery Pharmaceutical Pvt. Ltd.** 159, Mittal Industrial Estate, Sanjay Building No.5/B, Marol Naka Andheri (East) Mumbai, MH 400059 IN	U74999MH2017PTC295476	Subsidiary	99.65%	2(87)
4	**LQ Arrow Security Products (India) Pvt. Ltd.** 159, Mittal Industrial Estate, Sanjay Building No.5/B, Marol Naka Andheri (East) Mumbai, MH 400059 IN	U74999MH2017PTC299486	Subsidiary	51%	2(87)
5	**SP Arrow Biopolymer Products Pvt. Ltd** 159, Mittal Industrial Estate, Sanjay Building No.5/B, Marol Naka Andheri (East) Mumbai, MH 400059 IN	U51498MH2006PTC166618	Associate	46%	2(6)

IV. SHARE HOLDING PATTERN
(Equity share capital breakup as percentage of total equity)

(I) Category-wise Share Holding

Sr No	Category of Shareholders	Shareholding at the beginning of the FY2025-26				Shareholding at the end of the FY2025-26				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	**Shareholding of Promoter and Promoter Group**									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	8783214	0	8783214	58.21	8786174	0	8786174	58.23	0.02
(b)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Any Other (Specify)									
	Bodies Corporate	996014	0	996014	6.60	996014	0	996014	6.60	0.00
	Sub Total (A)(1)	**9779228**	**0**	**9779228**	**64.81**	**9782188**	**0**	**9782188**	**64.83**	**0.02**
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Government	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (Specify)									
	Sub Total (A)(2)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	**9779228**	**0**	**9779228**	**64.81**	**9782188**	**0**	**9782188**	**64.83**	**0.02**
(B)	**Public Shareholding**									
[1]	Institutions									
(a)	Mutual Funds / UTI	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Alternate Investment Funds	5791	0	5791	0.04	123909	0	123909	0.82	0.78
(d)	Banks	0	0	0	0.00	0	0	0	0.00	0.00
(g)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Provident Funds/ Pension Funds	0	0	0	0.00	0	0	0	0.00	0.00
(G)	Asset Reconstruction Companies	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Sovereign Wealth Funds	0	0	0	0.00	0	0	0	0.00	0.00
(j)	Other Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Any Other (Specify)									
	Sub Total (B)(1)	**5791**	**0**	**5791**	**0.04**	**123909**	**0**	**123909**	**0.82**	**0.78**
[2]	Central Government/ State Government(s)/ President of India									
	Sub Total (B)(2)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
[2]	Institutions (Foreign)									
(a)	Foreign Direct Investment	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Sovereign Wealth Funds	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Foreign Portfolio Investors Category I	22442	0	22442	0.15	9759	0	9759	0.06	-0.08
(e)	Foreign Portfolio Investors Category II	18145	0	18145	0.12	100	0	100	0.00	-0.12
(e)	Any Other (Specify)									
	Sub Total (B)(2)	**40587**	**0**	**40587**	**0.27**	**9859**	**0**	**9859**	**0.07**	**-0.20**

Sr No	Category of Shareholders	Shareholding at the beginning of the FY2025-26				Shareholding at the end of the FY2025-26				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
[3]	**Non-Institutions**									
(a)	Associate companies / Subsidiaries	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Directors and their relatives (excluding Independent Directors and nominee Directors)	0	0	0	0.00	0	0	0	0.00	0.00
(C)	Key Managerial Personnel	39	0	39	0.00	39	0	39	0.00	0.00
(D)	Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category)	900	0	900	0.01	900	0	900	0.01	0.00
(E)	Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee','beneficiary', or 'author of the trust''	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Investor Education and Protection Fund (IEPF)	202145	0	202145	1.34	214170	0	214170	1.42	0.08
(g)	Resident Individuals holding nominal share capital in excess of Rs. 1 lakhs	1567751	0	1567751	10.39	1537982	0	1537982	10.19	-0.20
(h)	Resident Individuals holding nominal share capital upto Rs. 1 lakhs	2648515	67402	2715917	18.00	2597700	45982	2643682	17.52	-0.48
(i)	Non Resident Indians (NRIs)	207695	1200	208895	1.38	211011	700	211711	1.40	0.02
(j)	Foreign Nationals	0	0	0	0.00	0	0	0	0.00	0.00
(k)	Foreign Companies	152667	0	152667	1.01	140808	0	140808	0.93	-0.08
(l)	Bodies Corporate	139410	0	139410	0.92	125894	0	125894	0.83	-0.09
(c)	Any Other (Specify)									
	Body Corp-Ltd Liability Partnership	24271	0	24271	0.16	16437	0	16437	0.11	-0.05
	Hindu Undivided Family	250159	0	250159	1.66	268011	0	268011	1.78	0.12
	Clearing Member	178	0	178	0.00	12348	0	12348	0.08	0.08
	Sub Total (B)(3)	**5193730**	**68602**	**5262332**	**34.88**	**5125300**	**46682**	**5171982**	**34.28**	**-0.60**
	Total Public Shareholding (B) =(B)(1)+(B)(2)+(B)(3)	**5240108**	**68602**	**5308710**	**35.19**	**5259068**	**46682**	**5305750**	**35.17**	**-0.02**
	Total (A)+(B)	**15019336**	**68602**	**15087938**	**100.00**	**15041256**	**46682**	**15087938**	**100.00**	**0.00**
(C)	**Non Promoter - Non Public**									
	(C1) Shares Underlying Drs									
[1]	Custodian/DR Holder	0	0	0	0.00	0	0	0	0.00	0.00
	(C2) Shares Held By Employee Trust									
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.00	0	0	0	0.00	0.00
	Total (A)+(B)+(C)	**15019336**	**68602**	**15087938**	**100.00**	**15041256**	**46682**	**15087938**	**100.00**	

(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the FY2025-26			Shareholding at the end of the FY2025-26			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	SHILPAN P PATEL	5239557	34.73	0.00	5239557	34.73	0.00	0.00
2	JIGISHA S PATEL	1697205	11.25	0.00	1697205	11.25	0.00	0.00
3	SHILPAN PATEL HUF	1029180	6.82	0.00	1029180	6.82	0.00	0.00
4	ARROW BUSINESS ADVISORY PRIVATE LIMITED	996014	6.60	0.00	996014	6.60	0.00	0.00
5	NEIL S PATEL	410272	2.72	0.00	410272	2.72	0.00	0.00
6	RISHIL S PATEL	397000	2.63	0.00	399960	2.65	0.00	0.02
7	MANISHA SINDHI	10000	0.07	0.00	10000	0.07	0.00	0.00
	Total	**9779228**	**64.81**	**0.00**	**9782188**	**64.83**	**0.00**	**0.02**

(iii) Change in Promoter's holding

SN	Name & Type of Transaction	Shareholding at the beginning of the FY2025-26		Transactions during the year		Cumulative Shareholding at the end of the FY2025-26	
		No.of Shares Held	% of Total Shares of The Company	Date of Transaction	No. of Shares	No.of Shares Held	% of Total Shares of The Company
1	SHILPAN P PATEL	5239557	34.73			5239557	34.73
	AT THE END OF THE YEAR					5239557	34.73
2	JIGISHA S PATEL	1697205	11.25			1697205	11.25
	AT THE END OF THE YEAR					1697205	11.25
3	SHILPAN PATEL HUF	1029180	6.82			1029180	6.82
	AT THE END OF THE YEAR					1029180	6.82
4	ARROW BUSINESS ADVISORY PRIVATE LIMITED	996014	6.60			996014	6.60
	Transfer			04 Jul 2025	(5)	996009	6.60
	Transfer			22 Aug 2025	5	996014	6.60
	AT THE END OF THE YEAR					996014	6.60
5	NEIL S PATEL	410272	2.72			410272	2.72
	AT THE END OF THE YEAR					410272	2.72
6	RISHIL S PATEL	397000	2.63			397000	2.63
	Transfer			27 Mar 2026	2960	399960	2.65
	AT THE END OF THE YEAR					399960	2.65
7	MANISHA SINDHI	10000	0.07			10000	0.07
	AT THE END OF THE YEAR					10000	0.07

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	Name & Type of Transaction	Shareholding at the beginning of the FY2025-26		Transactions during the year		Cumulative Shareholding at the end of the FY2025-26	
		No.of Shares Held	% of Total Shares of The Company	Date of Transaction	No. of Shares	No.of Shares Held	% of Total Shares of The Company
1	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS	202145	1.34			202145	1.34
	Transfer			12 Dec 2025	12125	214270	1.42
	Transfer			06 Feb 2026	(100)	214170	1.42
	AT THE END OF THE YEAR					214170	1.42
2	RAMESH THAKURDAS JAISINGHANI	207787	1.38			207787	1.38
	Transfer			12 Dec 2025	8437	216224	1.43
	Transfer			19 Dec 2025	6560	222784	1.48
	Transfer			26 Dec 2025	(28846)	193938	1.29
	Transfer			16 Jan 2026	(7804)	186134	1.23
	AT THE END OF THE YEAR					186134	1.23
3	DIPAK KANAYALAL SHAH	178027	1.18			178027	1.18
	Transfer			23 Jan 2026	200	178227	1.18
	Transfer			30 Jan 2026	400	178627	1.18
	Transfer			13 Feb 2026	373	179000	1.19
	Transfer			20 Feb 2026	1000	180000	1.19
	Transfer			06 Mar 2026	525	180525	1.20
	Transfer			13 Mar 2026	475	181000	1.20
	AT THE END OF THE YEAR					181000	1.20
4	AQUAVISTA LIMITED	152667	1.01			152667	1.01
	Transfer			06 Jun 2025	(10000)	142667	0.95
	Transfer			15 Aug 2025	(1859)	140808	0.93
	AT THE END OF THE YEAR					140808	0.93
5	ALCHEMY LONG TERM VENTURES FUND	0	0.00			0	0.00
	Transfer			01 Aug 2025	41080	41080	0.27
	Transfer			08 Aug 2025	23034	64114	0.42
	Transfer			15 Aug 2025	35886	100000	0.66
	AT THE END OF THE YEAR					100000	0.66
6	ASUTOSH PRAMODCHANDRA MEHTA	90307	0.60			90307	0.60
	Transfer			22 Aug 2025	5463	95770	0.63
	AT THE END OF THE YEAR					95770	0.63
7	PRAMODCHANDRA G MEHTA	84496	0.56			84496	0.56
	AT THE END OF THE YEAR					84496	0.56
8	VARSHA CHUGH	71574	0.47			71574	0.47
	AT THE END OF THE YEAR					71574	0.47
9	SANJAY BHAICHAND VORA	56500	0.37			56500	0.37
	Transfer			12 Sep 2025	200	56700	0.38
	Transfer			19 Sep 2025	1300	58000	0.38
	Transfer			14 Nov 2025	(5670)	52330	0.35
	Transfer			05 Dec 2025	(1800)	50530	0.33
	Transfer			19 Dec 2025	(1350)	49180	0.33
	Transfer			16 Jan 2026	2820	52000	0.34
	AT THE END OF THE YEAR					52000	0.34
10	MAHENDRA GIRDHARILAL WADHWANI AT THE END OF THE YEAR	51847	0.34			51847 51847	0.34 0.34
11	PHILIP AMBATTU VEEDU THOMAS	68718	0.46			68718	0.46
	Transfer			11 Apr 2025	1410	70128	0.46
	Transfer			02 May 2025	100	70228	0.47
	Transfer			09 May 2025	2779	73007	0.48
	Transfer			16 May 2025	250	73257	0.49

(iv) Shareholding Pattern of top ten Shareholders (Contd.)

	Transfer			06 Jun 2025	563	73820	0.49
	Transfer			01 Aug 2025	18	73838	0.49
	Transfer			08 Aug 2025	238	74076	0.49
	Transfer			15 Aug 2025	(10484)	63592	0.42
	Transfer			22 Aug 2025	(33592)	30000	0.20
	Transfer			19 Sep 2025	(4000)	26000	0.17
	Transfer			26 Sep 2025	(3000)	23000	0.15
	Transfer			30 Sep 2025	(843)	22157	0.15
	Transfer			10 Oct 2025	(2157)	20000	0.13
	Transfer			17 Oct 2025	(2000)	18000	0.12
	Transfer			24 Oct 2025	(3000)	15000	0.10
	Transfer			31 Oct 2025	27023	42023	0.28
	Transfer			07 Nov 2025	903	42926	0.28
	Transfer			14 Nov 2025	(2500)	40426	0.27
	Transfer			21 Nov 2025	1000	41426	0.27
	Transfer			19 Dec 2025	250	41676	0.28
	Transfer			26 Dec 2025	2000	43676	0.29
	Transfer			02 Jan 2026	(13676)	30000	0.20
	Transfer			16 Jan 2026	2003	32003	0.21
	Transfer			23 Jan 2026	(2248)	29755	0.20
	Transfer			06 Feb 2026	3983	33738	0.22
	Transfer			13 Feb 2026	2871	36609	0.24
	Transfer			20 Feb 2026	1300	37909	0.25
	Transfer			27 Feb 2026	(22909)	15000	0.10
	Transfer			06 Mar 2026	4096	19096	0.13
	Transfer			13 Mar 2026	(5096)	14000	0.09
	Transfer			20 Mar 2026	32988	46988	0.31
	Transfer			27 Mar 2026	3099	50087	0.33
	AT THE END OF THE YEAR					50087	0.33
12	HARESH CHHOTALAL MEHTA	68300	0.45			68300	0.45
	Transfer			14 Nov 2025	(1879)	66421	0.44
	Transfer			05 Dec 2025	(5421)	61000	0.40
	Transfer			12 Dec 2025	(5000)	56000	0.37
	Transfer			09 Jan 2026	(5000)	51000	0.34
	Transfer			23 Jan 2026	(1000)	50000	0.33
	Transfer			30 Jan 2026	(5000)	45000	0.30
	Transfer			06 Feb 2026	(2000)	43000	0.29
	AT THE END OF THE YEAR					43000	0.29
13	NIKHIL RAMESH JAISINGHANI	105200	0.70			105200	0.70
	Transfer			10 Oct 2025	(19604)	85596	0.57
	Transfer			17 Oct 2025	(58308)	27288	0.18
	Transfer			07 Nov 2025	(23789)	3499	0.02
	Transfer			14 Nov 2025	(3499)	0	0.00
	AT THE END OF THE YEAR					0	0.00

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Mr. Shilpan Patel Chairman & Managing Director						
	At the beginning of the year			5,239,557	34.73%	-	0.00%
	Changes						0.00%
	At the end of the year			5,239,557	34.73%	-	0.00%
2	Mr. Neil Patel, Jt. Managing Director						
	At the beginning of the year			410,272	2.72%	-	0.00%
	Changes during the year						0.00%
	At the end of the year			410,272	2.72%	-	0.00%
3	Mrs.Jigisha Patel, Non Executive Non Independent Woman Director						
	At the beginning of the year			1,697,205	11.25%	-	0.00%
	Changes during the year						0.00%
	At the end of the year			1,697,205	11.25%	-	0.00%
4	Mr. Prashant Mehta, Independent Director						
	At the beginning of the year			410	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			410	0.00%	-	0.00%
5	Mrs. Barkharani Mehta, Independent Director						
	At the beginning of the year			-	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			-	0.00%	-	0.00%
6	Mr. Yogesh Gajjar Independent Director						
	At the beginning of the year			-	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			-	0.00%	-	0.00%
7	Mr. Hitesh Punglia Chief Financial Officer						
	At the beginning of the year			-	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			-	0.00%	-	0.00%
8	Mrs. Poonam Bansal, Company Secretary						
	At the beginning of the year			39	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			39	0.00%	-	0.00%

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment. (Amt. in ₹ Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
I) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Amount in ₹ Lakhs
		Mr. Shilpan Patel Chairman & Managing Director	Mr. Neil Patel Jt. Managing Director	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	108.00	108.00	216.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.21	0.21	0.42
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	Total (A)	108.21	108.21	216.42
	Ceiling as per the Act	10% of Net profit for all Executive Directors - Managing and Whole-time Directors; 5% of Net profit to any one Managing or Whole-time Director		

B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors				Amount in ₹ Lakhs
		Mr. Yogesh Gajjar (ID)	**Mrs.Jigisha Patel Non Executive Non Independent**	**Mr. Prashant Mehta (ID)**	**Mrs. Barkharani Nevatia (ID)**	
1	Independent Directors					
	Fee for attending board committee meetings	3.05	-	3.05	2.10	8.20
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	3.05	.	3.05	2.10	8.20
2	Other Non-Executive Directors					
	Fee for attending board committee meetings	-	0.90	-	-	0.90
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	3.05	0.90	3.05	2.10	9.10
	Total Managerial Remuneration	-	-	-	-	225.52
	Overall Ceiling as per the Act	1% of Net Profits of the Company for all Non-Executive Directors				

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN.	Particulars of Remuneration	Name of Key Managerial Personnel		Amount in ₹ Lakhs
		Mr. Hitesh Punglia, Chief Financial Officer	**Mrs. Poonam Bansal, Company Secretary**	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	106.71	18.84	125.55
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.21	0.21	0.42
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
	Commission	-	-	
4	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	Total	106.92	19.05	125.97

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			None		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			None		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			None		
Punishment					
Compounding					

ANNEXURE IV

Disclosure of composition of the Corporate Social Responsibility Committee and contents of the CSR Policy in the form of an annual report on CSR as per annexure attached to the Companies (Corporate Social Responsibility Policy) Rules, 2014

1. **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:**

   The Company intends to make a positive difference to society and contribute its share towards the social cause of betterment of society and area in which companies operates. The Company aims to create educated, healthy, sustainable and culturally vibrant communities. We also contribute as a company to various charitable causes and we seek to participate in ways that touch people's lives in these communities.

   In this regard, the Company has made policy which encompasses the Company's philosophy for delineating its responsibility as a Corporate Citizen for undertaking socially useful programmes for welfare & sustainable development of the community at large. Our CSR expenditures this year reflect our commitment to fostering sustainable development and positively impacting our communities. Fact that policy is placed on website of the Company.

   The CSR Committee's Vision is to empower communities through sustainable initiatives that create lasting social and environmental impact. “changing lives in pursuit of collective development and environmental sustainability”. This vision should encompass all CSR activities of the Company.

   The CSR Policy of the Company is also available on http://www.arrowgreentech.com

2. **The CSR Committee of the company is comprises of the following Members:**

   (i) Mr. Yogesh Gajjar (Chairman)

   (ii) Mr. Prashant Mehta

   (iii) Mr. Shilpan Patel

3. **The Average net profit of the Company for last three financial years:** Rs. 5372.71 lakhs

4. **Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):**

   Prescribed CSR expenditure for FY 2025-26 : Rs. 107.45 lakhs

5. **Details of CSR spent during the financial year :**

   (a) Total amount spent for the financial year 2025-26: Rs.110.20 lakhs

   (b) Amount unspent, if any - Rs. Nil

   (c) Manner in which the amount spent during the financial year is detailed below :

(Amt in Rs.)

Sr. No	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (1) local area (2) specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct
1	Promote Social, Educational and Cultural development of the society	Social Economic Development	-	1,10,19,510	1,10,19,510	1,10,19,510	1,10,19,510

6. **In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report**

   The Company has spent Rs. 110.20 lakhs for the Financial Year 2025-26.

7. **CSR Committee, in it's Responsibility Statement has mentioned that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.**

For Arrow Greentech Limited

Shilpan Patel
Chairman & Managing Director
DIN: 00341068

Place: Mumbai
Date: May 22, 2026

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Global economy overview:

The global economy entered FY 2025-26 having absorbed a prolonged phase of trade-policy realignment and exited it confronting a fresh shock. According to the International Monetary Fund (IMF), global output expanded by approximately 3.2% in calendar 2025, moderating from 3.3% in 2024, as the world economy adjusted to higher trade barriers and elevated policy uncertainty.

The outbreak of conflict in the Middle East reset the outlook during the year. In its April 2026 World Economic Outlook, the IMF projected global growth of 3.1% in 2026 and 3.2% in 2027, assuming the conflict remains limited in duration and scope, while revising global headline inflation upward to 4.4% in 2026 before an expected easing to 3.7% in 2027. This marks a clear departure from the disinflationary trend of recent years.

Growth in advanced economies is projected at 1.7% in 2026 and 1.8% in 2027. Outcomes within the group remain uneven: the United States, cushioned by its position as a net energy exporter, is expected to expand 2.3% in 2026, while the European region remains subdued at 0.9%. Downside risks continue to dominate, including a longer or broader conflict, deeper geopolitical fragmentation and renewed trade tensions.

Indian economy overview:

India remained the fastest-growing major economy through FY 2025-26. As per the Provisional Estimates released by the Ministry of Statistics and Programme Implementation (MoSPI), the second advance estimate released on 27 February 2026, real GDP grew 7.6% in FY 2025-26, against 7.1% in FY 2024-25. Nominal GDP or GDP at current prices is estimated to attain a level of Rs. 345.47 lakh crores in FY 2025-26, as against Rs. 318.07 lakh crore in FY 2024-25, showing a growth rate of 8.6%. These estimates are computed on MoSPI's new national accounts series with base year 2022-23, which replaced the earlier 2011-12 series during the year.

Growth was broad-based, with manufacturing, trade, transport and communication services groups both contributing materially, while gross fixed capital formation pointed to a firmer investment cycle. Inflation remained unusually benign for most of the year before turning higher on energy and supply-side pressures.

The Reserve Bank of India (RBI) reduced the policy repo rate by a cumulative 125 basis points over calendar 2025, bringing it to 5.25% by December 2025 and has held it there since. At its April 2026 review, the Monetary Policy Committee kept the repo rate unchanged at 5.25% with a neutral stance, while lowering its FY 2026-27 real GDP growth projection to 6.9% and raising its CPI inflation projection to 4.6%, while noting continued volatility in energy prices and monsoon-related risks to food inflation.

Company Overview:

Arrow Greentech Limited (AGTL) reports its business in two segments. The High-tech Products segment comprises anti-counterfeit products, intellectual property and Avery Pharma. The Green Products segment comprises water-soluble films, bio-compostable products and other green products. The narrative that follows describes the underlying businesses within these segments:

A. Security Products

The structural case for this business remains intact in several respects and has strengthened. Global demand for brand protection features in packaging is estimated at approximately USD 4.0 billion in 2025 and is forecast to reach approximately USD 5.0 billion by 2030, a compound annual growth rate of about 4.7%. Within the broader anti-counterfeit packaging market, track-and-trace accounted for the largest technology share at close to half of revenue in 2025, with pharmaceuticals the single largest application with a 27.9% share.

AGTL operates a state-of-the-art facility for manufacturing high-security products used to control counterfeiting, including anti-counterfeit threads, security fibres and security films. The plant has advanced capabilities in metalising, demetallising, holography, nano printing, and functional coatings, including the embedding of machine-readable features and lamination. These products are designed for integration into security papers, tax stamps and high-value brand protection across sectors including bank notes, passports, certificates, perfumes, cosmetics and pharmaceuticals, together with track-and-trace management.

The Company operates on fully integrated and 100% indigenous technologies. These products are primarily supplied to paper manufacturers and require specialised production capabilities.

i. High-Level Security Protection

Our company specialises in advanced security solutions for paper-based identification systems, designed to combat counterfeiting of security documents, including banknotes, passports and birth certificates, etc.

This industry is highly confidential. Due to the confidentiality requirements stipulated in our contracts, we are unable to provide detailed information about this business segment.

ii. Level 2 Security Elements - Medium Level Security Protection

The Company is equipped with technology, expertise and infrastructure to adapt its solutions for high-value brand protection and counterfeiting control across sectors including pharmaceuticals and branded consumer products. The tightening of on-pack traceability and serialisation requirements, both in India and in export markets, expands the addressable opportunity for this business well beyond its historical base.

During the year, the Company continued to expand its intellectual property position in this area, with patents granted for security laminates in Sri Lanka in January 2026 and Malaysia in February 2026, and an Indian patent for multicolour security fibres and planchettes for high-security paper. The Company's strategic focus remains on securing robust patent protection to safeguard innovations, mitigate litigation risk and strengthen long-term competitiveness and on the global commercialisation of patented products, including opportunities for out-licensing intellectual property to enhance revenue streams.

We remain committed to strengthening our presence in the Indian security market and to expanding into global markets, beginning with the EU and EEA regions. We continue to explore strategic partnerships with established market players to leverage our cost advantages and integrate their technologies. Inspired by the Prime Minister's Atma Nirbhar initiative, the Company remains energised to advance its goals and contribute to the vision of promoting high-quality, Indian-made products globally.

B. Water Soluble Films (Watersol®)

The global market for polyvinyl alcohol (PVA) films was valued at around $550 million in 2024 and is expected to grow at a compound annual growth rate (CAGR) of 5-6% through 2030. Polyvinyl alcohol dominates the material mix, on account of its water solubility, biodegradability and non-toxic properties. North America is estimated to be the largest single market, while the Asia-Pacific region leads growth, driven by rapid industrial expansion, rising demand for convenience products, and the expansion of packaging and agriculture end-uses. The market remains fragmented, with a large number of participants accounting for the majority of revenue - a structure that favours technically differentiated suppliers with protected process know-how.

Arrow Greentech Limited stands out as a global leader in the production of cast water-soluble films, with our flagship brand Watersol® setting the standard in the industry and is the largest manufacturer of water-soluble films in India. Our manufacturing facility is located at Ankleshwar, Gujarat, approximately 350 kilometres from Mumbai, on land held under a 99-year renewable lease from the Gujarat Industrial Development Corporation, with an on-site R&D centre equipped with modern instrumentation and common utilities available to support future expansion.

Watersol® films are manufactured from polyvinyl alcohol with proprietary additives, through a batching, casting, slitting, curing and packing process, with embossing and printing available as value-added steps. Our PVA films are characterised by their water solubility, biodegradability, and customisation capabilities, making them suitable for offering versatile applications across agrochemicals, construction chemicals, dyes, pigments, embroidery, health, hygiene, industrial engineering, water transfer printing and FMCG. The product range now spans AD film for detergent unit-dose packaging, dye packaging, pigment packaging, toilet block packaging film, water-soluble laundry bags, mould release film, construction chemical packaging, fibre packaging, seed bomb packaging, and seed tape packaging.

The agrochemical and home care sectors represent approximately 60-70% of the global market for water-soluble films, and AGTL is engaged with major prospects and clients within these niches. In addition, we are targeting the mass market for embroidery film, where we compete directly with lower-tech, Chinese-made products using our advanced, indigenous technology.

The Company's distribution reaches Europe, Asia, North America, South America and Africa, served principally through three supply points located in India, the United Kingdom and South America, supported by a wide distribution channel.

To capitalise on these opportunities, AGTL is expanding capacity and diversifying its product offering through capital expenditure. The Company holds an industrial plot admeasuring 3 acres in the Dahej-II Industrial Estate in Gujarat, which is intended to support future capacity expansion, particularly in green technologies. With a strong emphasis on research and innovation, AGTL remains committed to establishing itself as a leading global supplier of PVA films and related value-added products.

C. Sustainable Solutions

The regulatory environment for sustainable packaging in India moved decisively during the year and this is the single most important development for this part of the business. The ban on identified single-use plastic items, in force since July 2022, continues to apply. Building on this, the Plastic Waste Management (Amendment) Rules 2026 were notified on 31 March 2026 and the Extended Producer Responsibility framework for packaging took effect from 1 April 2026.

AGTL is dedicated to investing further in this growing sector. We believe that bio-based solutions in flexible films offer a sustainable, eco-friendly alternative to single-use plastics and other traditional options, addressing growing concerns about plastic pollution. Unlike petrochemical-based plastics that do not break down naturally, bio-compostable films are designed to decompose through natural processes. Our work in this area has the potential to transform packaging solutions by offering sustainable alternatives to conventional polyester and polypropylene materials. Our Bioplast bio-compostable film and Watersol® capsules - the most concentrated range of hygiene products, supplied in water-soluble capsules without generating plastic waste are the Company's principal offerings in this space.

Our New Products Development and R&D teams continue to integrate soluble and sustainable technologies to develop advanced packaging solutions. We adhere to a policy of invention, patenting and production based on end-user specifications, while prioritising environmental sustainability. Our team also remains actively involved in promoting the transition to sustainable practices within the industry and through trade associations.

D. Pharma Delivery Systems - Mouth Dissolving Strips (MDS)

MDS are fast-dissolving films that deliver active pharmaceutical ingredients more rapidly than conventional dosage forms such as tablets, capsules and liquids. The films dissolve on contact with saliva, eliminating the need for additional fluids, offering rapid absorption and high bioavailability. They are particularly advantageous for geriatric, paediatric, psychiatric and veterinary populations. For patients with swallowing difficulties, this provides ease of self-administration, water-free usability, quick onset of action, and non-invasive dosing. Transdermal patches, also developed by Avery Pharma, deliver actives through the skin directly into the bloodstream, ensuring sustained and controlled release over an extended period.

AGTL's wholly owned subsidiary, Avery Pharmaceuticals Private Limited (Avery Pharma), advances the production of Mouth Dissolving Strips and transdermal patches. Avery Pharma operates a WHO-GMP-approved manufacturing facility at Sanand, Gujarat, with state-of-the-art German-designed machinery and an in-house product development centre. The facility holds WHO-GMP, FSSAI, GLP, ISO 9001 and ISO 22000 certifications.

Avery Pharma's technology platform rests on a granted patent for Active Embedded Water-Soluble Film, commercialised under the MDS trade name. The platform allows one or more actives to be embedded or entrapped at controlled concentrations for targeted, precise delivery and supports lingual, sublingual and buccal routes of administration. The subsidiary now organises its offering around three platforms: MDS Films - its novel drug delivery system for rapid oral delivery; the Novel Drug Delivery Device - which enables time-controlled release through embedded or coated actives in water-soluble or dispersible films; and RX Matrix - a system for the safe collection, storage and disposal of biological samples that eliminates cross-contamination and improves biosafety.

Avery Pharma currently has 40 products approved under FSSAI and 21 products under prescription (Rx) approval, with product approval from the Food and Drug Controller Administration and a Central FSSAI license. The nutraceutical range spans vitamins, minerals, botanicals, and functional combinations, including Vitamin D3, K2, B12 strips, folic acid, iron, zinc, melatonin, caffeine, ashwagandha, and curcumin formulations. The prescription range includes products approved under WHO-GMP certification, products licensed for domestic and export sale and a pipeline of products under test license spanning cardiovascular, neurological, respiratory and analgesic categories. Approved products are introduced directly into Rest-of-World markets without the need for additional regulatory approvals.

Commercially, Avery Pharma has signed a few supply contracts and is in discussion with several other domestic and international companies on long-term supply arrangements. The subsidiary is pursuing product registrations in Russia, Yemen and Vietnam and is engaged in Contract Development and Manufacturing Organisation (CDMO) projects, drawing on the parent company's expertise in casting film and embedding actives. These CDMO engagements contribute to the bottom line, deepen client relationships and position Avery Pharma for future commercial production opportunities.

E. IP Protection

At Arrow Greentech Limited, we prioritise the strategic protection of our markets through robust patent filings both domestically and internationally, including via the Patent Cooperation Treaty route. Dedicated Intellectual Property Cells have been established across AGTL India and our subsidiaries. Our focus is on high-technology products and technologies. We continue to direct new IP creation towards green products across Arrow and its subsidiaries.

Patents are a cornerstone of our IP strategy, providing protection against infringement and offering significant commercial value through monetisation and, where necessary, litigation. To strengthen our research and development capabilities, we maintain a specialised centre focused on proof-of-concept creation and pilot projects, with validated concepts either developed internally or licensed to external partners. The Company continues to play an active role in shaping IP policy through its participation in the Select Committee on IP organised by the Confederation of Indian Industry and the Department for Promotion of Industry and Internal Trade and remains committed to contributing to India's ambition to rank among the top 25 nations in the Global Innovation Index.

The Company has obtained more than 50 patents globally over the years, of which 24 are presently in force, spanning India, the United Kingdom, the United States, Europe, Sri Lanka and Malaysia. By jurisdiction, 10 in-force patents are held in India, 6 in the United States, 6 across the United Kingdom and Europe, 1 each in Sri Lanka and Malaysia. In addition, more than 10 Indian patent applications and 3 foreign patent applications are currently under process covering various sectors, geographies, focused principally on water-soluble films and security solutions. The Company also maintains a strong brand protection framework with 40 in-force registered trademarks and 19 trademark applications currently under processing.

The portfolio is organised around five technology groups - paper industry; packaging industry; security products; health, hygiene and food; printing and pressure-sensitive adhesive materials. Applications extend from mouth-melting, gel and enzyme strips, clinical sample collection in health, through active ingredient retention in hygiene products, agro-nutrient and food packaging, security labels and security documents such as cheques, bank notes, passport papers, printing on fabrics, paper and vinyl and self-adhesive labelling.

Grants during FY 2025-26. The Company was granted a patent for security laminates in Sri Lanka in January 2026 and in Malaysia in February 2026. In February 2026, the Indian Patent Office granted Patent No. 580835 for Multicolour Security Fibres and Planchettes for High Security Paper, a technology that embeds tamper-resistant elements into paper and materially raises the difficulty of replication.

Our efforts in innovation and IP protection continue to be externally recognised. AGTL has received the National Intellectual Property Award from CII and DPIIT in 2019, 2021, 2022, 2023, 2024, 2025 with 2020 an exception on account of the COVID-19 pandemic. At AGTL, intellectual property is a vital asset, we remain steadfast in our commitment to its creation, protection and strategic management.

F. Trading and Revenue Streams from Foreign Subsidiaries:

The Company's international operations are conducted through Arrow Green Technologies (UK) Limited, a wholly owned subsidiary, which in turn holds Advance IP Technologies Limited in the United Kingdom and Advance Secure Products B.V. in the Netherlands. These entities serve as strategic hubs providing access to markets across Europe, Asia, the Americas and Africa; they function not only as operational bases but as gateways for innovation, customer engagement and regulatory alignment.

The Board and team at Arrow UK are focused on the commercialisation of patents and technology. Leveraging the logistical advantages and favourable business environment of the Western world, we are committed to maximising the potential of this subsidiary. In addition to monetising our patents and trading in water-soluble films, Arrow UK is expanding its trade into high-technology products. The subsidiary, together with its European counterpart, generates substantial revenues and we remain optimistic about the future prospects for both entities.

Within India, the Company's group structure additionally comprises Arrow Secure Technology Private Limited and Avery Pharmaceuticals Private Limited, both wholly owned, together with LQ Arrow Security Products (India) Private Limited and SP Arrow Bio-polymer Products Private Limited.

2. Opportunities:

The Company is well positioned to leverage opportunities across both of its reported segments and the FY 2025-26 outcome sharpened rather than weakened that positioning.

In the Green Products segment, the tightening of India's Extended Producer Responsibility framework from 1 April 2026, the recycled-content mandates now applying to plastic packaging and the preferential treatment of IS 17088 certified compostable materials together create a regulatory pull towards the Company's product set. The same direction of travel is evident in developed markets, where demand for eco-friendly packaging continues to drive water-soluble film consumption. The agrochemical, home care, pharmaceutical and healthcare industries are simultaneously seeking safe, hygienic and precise delivery mechanisms, creating new avenues for our speciality film solutions. The segment's 52% growth during the year, from a small base, indicates that this pull is beginning to convert into revenue.

In the High-tech Products segment, counterfeiting and document fraud remain major global concerns; the spread of on-pack serialisation and traceability mandates is widening the customer base for security features. Our Security division has invested significantly in advanced manufacturing technologies and plans to extend its market reach globally, beginning with exports to the EU and EEA regions. Our wholly owned subsidiaries, Avery Pharmaceuticals Private Limited and the Watersol division, are targeting expansion into Europe, South America and Africa.

A growing in-force patent portfolio, extended during and after the year across security fibres, colour-shift films and graphene-based security threads, supports both the direct product business and the out-licensing opportunity. The Company's debt-free balance sheet and liquidity position provide the capacity to fund the Dahej expansion and further R&D investment without external leverage.

3. Threats:

Our business operations may experience fluctuations on account of several factors, including geopolitical developments, technological obsolescence, rising input costs, project execution delays, patent expirations and tender outcomes. Reducing the volatility in performance - through a broader customer base, a wider product mix and the scaling of the Green Products segment, remains a management priority.

Elevated energy prices and the inflation outlook raise the risk of higher PVA and other input costs, while currency volatility affects both export realisations and imported input costs. The importation of non-standard materials, including extruded films from China, continues to pressure competitive pricing in the mass-market segments we address. Working capital employed increased during the year, reflecting movement in receivables and inventory, and its normalisation continues to be a management focus. We have identified key risks across our business functions and will implement the measures needed to address and mitigate these risks effectively and consistently.

4. Internal control system and its adequacy:

The company's internal audit system is designed to ensure robust internal controls that align with the size, complexity and requirements of our business. This system aims to safeguard assets against misuse or loss and ensure that transactions are properly authorised, recorded and reported.

Operating parameters are clearly defined and monitored regularly. The Audit Committee continually assesses the adequacy and effectiveness of our internal controls. These controls are implemented to enhance operational efficiency, financial management and compliance with relevant regulations and laws.

In accordance with Section 138 of the Companies Act, 2013, the company has engaged a firm of Chartered Accountants to perform internal audits of our functions and activities. They provide quarterly reports on their findings, which are reviewed by both the Audit Committee and the Statutory Auditors.

5. Material developments in human resources/industrial relations front, including number of people employed:

Throughout the year, industrial relations have remained amicable and uninterrupted, with no disruptions to manufacturing activities. The company has conducted various programs focused on enhancing motivation and technical and soft skills. We have implemented comprehensive safety measures to protect our employees and have adopted a work-from-home policy for non-factory staff, providing the necessary technological support and tools to ensure smooth operations.

Human capital is regarded as a vital asset and a key factor for the company's success, particularly given the niche nature of our products, patents and applications. We are committed to building a dedicated team to support the company's growth. As of March 31, 2026, our workforce consisted of 120 employees.

6. Cautionary statement:

This report may contain forward-looking statements. AGTL may also include forward-looking statements in periodic reports to the Stock Exchanges, as well as in its annual reports to shareholders, proxy statements, offering circulars, prospectuses, press releases and other written communications. Additionally, forward-looking statements may be made orally by our officers, directors, or employees to third parties.

AGTL does not undertake any obligation to update or revise these forward-looking statements, whether in this report or elsewhere. Forward-looking statements, which reflect our beliefs and expectations, are inherently subject to risks and uncertainties. Various factors could cause actual outcomes to differ materially from those projected in forward-looking statements.

For and on behalf of the Board of Directors

Shilpan P Patel
Chairman & Managing Director
DIN:00341068

Place: Mumbai
Date: 22nd May 2026

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2026, in terms Regulation 17 to 27 and Clauses (b) to (i) of regulations 46(2) and paragraphs C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The Corporate Governance signifies the role of the management as the trustees to the property of the shareholders and acceptance of the inherent rights of the shareholders by the management. Corporate Governance is a framework which helps various participants' viz. shareholders, Board of Directors and Company's management, in shaping company's performance and the way it is preceding towards attainment of its goals.

I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's Corporate Governance philosophy encompasses not only regulatory and legal requirements, such as the terms of SEBI Listing Regulations, but also several voluntary practices at a superior level of business ethics, effective supervision and enhancement of shareholders' value.

The Company believes that timely disclosures, transparent accounting policies and a strong and independent Board go a long way in protecting the shareholders' interest while maximizing long term corporate values.

The Company is in compliance with the requirements on the Corporate Governance stipulated under SEBI Listing Regulations.

II. BOARD OF DIRECTORS

(a) Size and Composition of the Board of Directors

The Board of Directors has an ideal combination of executive and non-executive Directors and is in conformity with the provisions of the Companies Act, 2013 ("the Act") and Regulation 17 of the SEBI Listing Regulations which inter-alia stipulates that the Board should have an optimum combination of Executive and Non-executive Directors with at least one Woman Director and not less than fifty percent of the Board should consist of Independent Directors, if the Chairman of the Board is an Executive Director.

As on March 31, 2026, the Board comprised six Directors. Of these, two are Executive Directors; one is Non-Executive Non-Independent Woman Director, including the Chairman and Managing Director who is a Promoter Director. Remaining three are Independent Directors.

The Chairman of the Board of Directors is an Executive Director. The composition of the Board of Directors is in conformity with the Regulation 17 of the SEBI Listing Regulations.

Mr. Shilpan Patel, Chairman and Managing Director, Mr. Neil Patel, Joint Managing Director and Mrs. Jigisha Patel Non-Executive Non-Independent Woman Director are relative, except them other Directors of the Company are not related to each other.

All the Independent Directors of the Company furnish declaration annually that they qualify the conditions of their being independent as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16 (1) (b) of the SEBI Listing Regulations. All such declarations are placed before the Board. Further all the Directors provide declarations annually that they have not been disqualified to act as Director under Section 164(2) of the Companies Act, 2013.

(b) Number of Board Meetings

The Board of Directors met four (4) times during the financial year 2025-26. The Meetings were held on May 17, 2025, August 12, 2025, November 13, 2025 and February 13, 2026. The maximum time gap between any two consecutive meetings did not exceed one hundred and twenty days.

(c) Directors' attendance record and details of Directorships/Committee Positions held

As mandated by SEBI Listing Regulations, none of the Directors on Board is a member of more than ten Board level committees and Chairman of more than five such committees, across all such companies in which he/ she is a Director.

Further, none of the Directors of the Company serves as an Independent Director in more than seven listed companies.

The details of names and categories of Directors, their attendance at the Board Meetings held during the year and at the last Annual General Meeting as also the number of Directorships and Board-level committee positions held by them as at March 31, 2026 is tabulated hereunder.

Name	Category	No. of Board Meeting attended / held during 2025-26	Attendance at last AGM held on September 22, 2025	No. of directorship held in other public company	Committee Position in other companies	
					Member	Chairman
Mr. Shilpan Patel	Executive	4/4	Present	-	-	-
Mr. Neil Patel	Executive	3/4	Present	-	-	-
Mr. Prashant Mehta	Independent	4/4	Present	-	-	-
Mrs. Barkharani Nevatia	Independent	3/4	Present	2	2	-
Mr. Yogesh Gajjar	Independent	4/4	Present	-	-	-
Mrs. Jigisha Patel	Non-Executive Non-Independent	3/4	Present	-	-	-

Notes:-

1. The directorship held by directors as mentioned above do not include Alternate Directorships and Directorships in Foreign Companies and Private Companies.
2. Membership/Chairmanship of only the Audit Committee and Stakeholder's Relationship Committee of all the public limited companies have been considered.

(d) Information to the Board

A detailed agenda folder is sent to each Director in advance of the Board Meetings. As a policy, all major decisions, in addition to matters which statutorily require the approval of the Board are put up for consideration of the Board.

The Board periodically reviews compliance reports of all laws applicable to the Company, prepared by the Management as well as steps taken by the Company to rectify instances of non-compliances, if any. Further, the Board also reviews the Annual financial statements of the Unlisted Subsidiary Companies. In addition to the above, pursuant to Regulation 24 of the SEBI Listing Regulations, the Minutes of the Board Meetings of the Company's Unlisted Subsidiary Companies are placed before the Board.

(e) Directors with pecuniary relationship or business transaction with the Company:

The Chairman & Managing Director and the Joint Managing Director receive Salary, Perquisites and Allowances, while all the Non-Executive Directors receive Sitting Fees.

(f) Nomination and Remuneration Policy & Remuneration to Directors:

Remuneration was paid to Executive Directors i.e. Mr. Shilpan Patel, Chairman and Managing Director and Mr. Neil Patel, Joint Managing Director pursuant to the approval of the Nomination and Remuneration Committee, the Board of Directors and the Members of the Company, which is within the limits prescribed under the Companies Act, 2013.

The Non-Executive Directors were paid sitting fees for attending the Meetings of the Board of Directors and the Committees, which is within the limits prescribed under the Companies Act, 2013. The Company pays a sitting fee of Rs. 30,000/- for attending each Board Meeting, Rs. 15,000/- for attending Audit Committee Meeting and Rs.10,000/- for attending other Committee Meetings.

The details of remuneration paid to Directors during the year ended March 31, 2026 and their shareholding are tabulated hereunder.

(₹ in Lakhs)

Name of the Directors	Salary, Perquisites & Allowances	Sitting Fees	Total	No. of Shares held
Mr. Shilpan Patel	108.21	-	108.21	52,39,557
Mrs. Jigisha Patel	-	0.90	0.90	16,97,205
Mr. Neil Patel	108.21	-	108.21	4,10,272
Mr. Prashant Mehta	-	3.05	3.05	410
Mrs. Barkharani Nevatia	-	2.10	2.10	-
Mr. Yogesh Gajjar	-	3.05	3.05	-

(g) Employee Stock Option Scheme:

The Company implemented a broad based employee stock ownership program namely 'Arrow Greentech ESOP Scheme 2024' (Scheme) as a strategic initiative aimed at rewarding the employees for their dedicated service. The Scheme aims to reinforce employees' commitment, acknowledge their dedication, and align their interests with the long-term success of the Company.

The Board of Directors of the Company, based on the recommendations of the Nomination and Remuneration Committee ("the Committee" or "NRC") deems it beneficial to extend the Scheme's benefits to the employees of the Company. This attract the relevant talent into the Company to drive its growth plans.

Arrow Greentech ESOP Scheme 2024 comprises periodic Grants which may be determined by the Committee from time to time which shall be based on the factors such as performance of the employee for the past financial years (or for the period of his service), onboarding incentive for new employees, attracting talent, position and responsibilities of the concerned employee, the nature and tenure of employee's services to the Company, the employee's present and potential contribution to the success of the Company and such other factors as the Committee deems relevant for accomplishing the purpose of the Scheme..

Accordingly, the Members of the Company at the 32nd Annual General Meeting (AGM) held on September 16, 2024 approved the 'Arrow Greentech ESOP Scheme 2024' to create and grant from time to time, in one or more tranches, not exceeding 2,25,000 (Two Lakhs Twenty Five Thousand) employee stock options equity shares of face value of INR 10/- (Rupees Ten only) each fully paid-up.

The Board of Directors hereby confirm that there has been no material change in the Scheme as on the date of this report and the Scheme is in compliance with the applicable provisions of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

(h) Management Discussion and Analysis

Management Discussion and Analysis is given in a separate section forming part of the Directors' Report in this Annual Report.

(i) Code of Conduct

The Board of Directors has laid down the Codes of Conduct ('Code'), for the all Board members and senior management of the company.

These Codes have been posted on the Company's website www.arrowgreentech.com. All the Board Members and Senior Management personnel of the Company have affirmed Compliance with the Code of Conduct as applicable to them, for the year ended March 31, 2026. A declaration to this effect signed by Mr. Shilpan Patel, Chairman & Managing Director is annexed to this Report.

(j) Familiarization Programmes for Board Members

All Independent Directors are familiarized with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the Company, etc. from time to time. The Company makes consistent efforts to acquaint the Board with the overall business performance covering all business verticals, by way of presenting specific performance of Plant, Product Category and Corporate Function from time to time. The Board of Directors has complete access to the information within the Company. The Independent Directors have the freedom to interact with the Company's management. Directors are also informed of the various developments in the Company through various modes of communications. All efforts are made to ensure that the Directors are fully aware of the current state of affairs of the Company and the industry in which it operates.

Detailed agenda are sent well in advance to all the Directors in order for the Board to perform its function and fulfill its role effectively.

(k) Performance Evaluation and Independent Directors Meeting

Pursuant to the provisions of Section 134 (3) (p), 149(8) and Schedule IV of the Act and Regulation 17 of the SEBI Listing Regulations, annual performance evaluation of the Directors as well as of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee has been carried out.

The performance evaluation of the Independent Directors was carried out by the entire Board and the Performance Evaluation of the Chairman and Non-Independent Directors was carried out by the Independent Directors.

During the year 2025-26, the Independent Directors of the Company also met on February 13, 2026, interalia, to discuss and carry out the evaluation of performance of (i) Non-Independent Directors and the Board of Directors of the Company as a whole, (ii) the evaluation of performance of the Chairman of the Company, and (iii) 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 reasonably perform its duties.

Criteria for evaluation of independent directors:

The Directors shall be evaluated on the basis of the following criteria i.e. whether they:

i) uphold ethical standards of integrity and probity;

ii) act objectively and constructively while exercising their duties;

iii) exercise their responsibilities in a bona fide manner in the interest of the Company;

iv) devote sufficient time and attention to their professional obligations for informed and balanced decision making;

v) assist the Company in implementing the best corporate governance practices;

vi) strive to attend all Meetings of the Board of Directors and of the Board committees of which they are members;

vii) moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between Management and Shareholder's interest;

viii) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk Management are robust and defensible;

ix) strive to safeguard the interests of all stakeholders, particularly the minority shareholders;

x) balance the conflicting interest of the stakeholders;

xi) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts;

xii) keep themselves well informed about the Company and the external environment in which it operates;

xiii) participate constructively and actively in the committees of the Board in which they are chairpersons or members;

xiv) strive to attend the general Meetings of the Company;

xv) acting within their authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;

xvi) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the Company;

xvii) ascertain and ensure that the Company has an adequate and functional vigil mechanism and ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;

xviii) report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy, if any;

xix) maintain confidentiality of information such as commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law;

xx) abide by Company's Memorandum and Articles of Association, Company's policies and procedures including code of conduct, insider trading guidelines etc;

xxi) they express concerns about the running of the Company or a proposed action and ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that the concerns are recorded in the Minutes of the Board Meeting;

xxii) develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior Management of the Company;

xxiii) fairly contribute towards proper functioning of Board or Committees of the Board.

The Independent Directors shall also be evaluated on the basis of the following criteria i.e. whether they:

i) satisfy the criteria for independence as prescribed under Section 149 of the Act and the SEBI Listing Regulations;

ii) help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk Management, resources, key appointments and standards of conduct;

iii) bring an objective view in the evaluation of the performance of Board and Management;

iv) actively scrutinize the performance of Management in Meeting agreed goals and objectives and monitor the reporting of performance;

v) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;

vi) contribute to determine appointment and remuneration of executive Directors, Key Managerial Personnel (KMP) and senior Management;

vii) exercise objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making.

The Non-Independent Directors along with the Independent Directors, except the one who is being evaluated, will evaluate/assess each of the Independent Directors on the aforesaid parameters. On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the Independent Director.

III. BOARD COMMITTEE

Pursuant to SEBI Listing Regulations there were five Committees for the year ended March 31, 2026 viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, CSR Committee and Those Charge With Governance Committee. All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of reference / role of the Committees are taken by the Board of Directors. Details on the role and composition of thes Committees, including the number of meetings held during the financial year and attendance at meetings, are provided below.

(a) Audit Committee

As on March 31, 2026, the Audit Committee comprises three (3) Independent Directors and one (1) Executive Director. All Members of the Audit Committee possess accounting and financial management knowledge.

The Internal Auditors and the representative of the statutory auditors are invited for the meetings of the Audit Committee. The Company Secretary is the Secretary to this Committee.

The Audit Committee met four times during the year, i.e. on May 17, 2025, August 12, 2025, November 13, 2025 and February 13, 2026. The maximum time gap between any two consecutive meetings did not exceed one hundred and twenty days. The minutes of the meetings of the Audit Committee are noted by the Board. The details of the composition of the Committee, meetings held, attendance at the meetings, are tabulated hereunder:

Name of the Member	Category	Position	No. of Meeting held	No. of Meeting attended
Mr. Prashant Mehta	Independent Director	Chairman	4	4
Mrs. Barkharani Nevatia	Independent Director	Member	4	3
Mr. Neil Patel	Executive Director	Member	4	3
Mr. Yogesh Gajjar	Independent Director	Member	4	4

Mr. Prashant Mehta, Chairman of the Audit Committee was present at the Annual General Meeting of the Company to answer members' queries.

The terms of reference of the Audit Committee are in conformity with the requirements of SEBI Listing Regulations and Section 177(4) of the Companies Act, 2013. Further, the Audit Committee has powers which are in line with the SEBI Listing Regulations.

The terms of reference of the Audit Committee include the following:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - Changes, if any, in accounting policies and practices and reasons for the same
  - Major accounting entries involving estimates based on the exercise of judgment by management
  - Significant adjustments made in the financial statements arising out of audit findings
  - Compliance with listing and other legal requirements relating to financial statements
  - Disclosure of any related party transactions
  - Qualifications in the draft audit report
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue,

rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- Reviewing the functioning of the Whistle Blower mechanism;
- Consider such other matter the board may specify;
- Reviewing other areas that may be brought under the purview of role of Audit Committee as specified in Listing Agreement and the Companies Act, as and when amended.
- Approval of appointment of chief Financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other functions as is mentioned in the terms of reference of audit committee.

Review of Information by Audit Committee:

Besides the above, the role of the Audit Committee includes mandatory review of the following information –

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the audit committee), submitted by Management;
- Management letters/letters of internal control weaknesses issued by the statutory auditors, if any;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the auditor committee;

(b) Nomination and Remuneration Committee

As of March 31, 2026, this Committee comprised three Independent Directors. They are Mr. Prashant Mehta (Chairman), Mrs. Barkharani Nevatia and Mr. Yogesh Gajjar.

This Committee met two times during the previous financial year i.e. on August 12,2025 and February 13, 2026. The Minutes of the Nomination and Remuneration Committee Meetings are noted by the Board. The details of the composition of the Committee, meetings held, attendance at the meetings, are tabulated hereunder:

Name of the Members	Position	Category	No. of Meeting held	No. of Meeting attended
Mr. Prashant Mehta	Chairman	Independent	2	2
Mrs. Barkharani Nevatia	Member	Independent	2	2
Mr. Yogesh Gajjar	Member	Independent	2	2

In accordance with Section 178 of the Companies Act, 2013 and SEBI Listing Regulations, the role of the Nomination and Remuneration Committee of the Company is as under:

(a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

(b) Formulation of criteria for evaluation of Independent Directors and the Board of Directors;

(c) Devising a policy on Board diversity.

(d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

(e) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of Independent Directors

(c) Stakeholder Relationship / Grievance Redressal Committee

As on March 31, 2026, this Committee comprises 3 (three) members of which, 2 (Two) are Non-Executive Directors. The Company Secretary of the Company acts as Secretary to the Stakeholders Relationship / Grievance Redressal Committee. The Committee met four times during the year, i.e. on May 17, 2025, August 12, 2025, November 13, 2025 and February 13, 2026. The Composition of Stakeholders Relationship / Grievance Redressal Committee as on March 31, 2026, is given below:

Name of the Members	Position	Category	No. of Meeting held	No. of Meeting attended
Mr. Yogesh Gajjar	Chairman	Independent	4	4
Mr. Prashant Mehta	Member	Independent	4	4
Mr. Neil Patel	Member	Executive	4	3

The Committee deals with the following matters:

- Noting transfer/transmission of shares.
- Review of dematerialised/rematerialised shares and all other related matters.
- Monitors expeditious redressal of Investor grievance matters received from Stock Exchanges, SEBI, ROC, etc.
- Monitors redressal of queries/complaints received from members relating to transfers, non-receipt of Annual Report, dividend etc.
- All other matters related to shares/debentures.

(d) Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility Committee has been formed pursuant to section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, to formulate and recommend to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company as specified in Schedule VII to the Act, to recommend the amount of expenditure to be incurred on such activities and to monitor the Corporate Social Responsibility Policy of the company from time to time.

The Corporate Social Responsibility Policy of the Company is available on the website of the Company www.arrowgreentech.com. Annual Report on CSR activities is prepared and is attached as ANNEXURE IV to the Directors Report.

One CSR Committee meeting was held on 13th February 2026 during the FY 2025-26.

The details of the composition of the Committee, meetings held, attendance at the meetings, are tabulated hereunder:

Name of the Members	Position	Category
Mr. Yogesh Gajjar	Chairman	Independent
Mr. Prashant Mehta	Member	Independent
Mr. Shilpan Patel	Member	Executive

(e) Those Charge with Governance Committee

As on March 31, 2026, this Committee comprises 6 (six) members of which, 3 (Three) are Independent Directors. The Company Secretary of the Company acts as Secretary to the Those Charge With Governance Committee. The Committee met one time during the year, i.e. on March 24, 2026. The Composition of Those Charge With Governance Committee as on March 31, 2026, is given below:

The details of the composition of the Committee, meetings held, attendance at the meetings, are tabulated hereunder.

Name of the Members	Position	Category	No. of Meeting held	No. of Meeting attended
Mr. Prashant Mehta	Chairman	Independent	1	1
Mr. Yogesh Gajjar	Member	Independent	1	1
Mrs. Barkharani Nevatia	Member	Independent	1	1
Mr. Shilpan Patel	Member	Executive	1	-
Mr. Neil Patel	Member	Executive	1	1
Mrs. Jigisha Patel	Member	Non-Executive	1	-

IV. DISCLOSURES

a) Related party transactions:

During the year under review, besides the transactions reported in Notes to Accounts, forming part of the Annual Report, there were no other related party transactions with its promoters, directors and management that had a potential conflict of interest of the Company at large.

b) Compliance by the Company

There is no non-compliance by the Company or any penalties, strictures imposed by the Stock Exchange, SEBI or any other statutory authority on any matter related to capital markets, during the last three years.

c) Disclosure of Accounting Treatment

In the preparation of the financial statements, the Company has followed the Ind AS, issued by the Institute of Chartered Accountants of India to the extent possible.

d) Disclosures of Risk Management

The Board discussed the risk assessment procedure and the same has been laid before the Board from time to time.

e) CEO / CFO Certification

A certification in the terms of Regulation 17(8) of SEBI (LODR) Regulation 2015 from (CEO) Mr. Shilpan Patel, Chairman & Managing Director of the Company, in respect of financial year ended March 31, 2026 was placed before the Board.

f) Review of Directors Responsibility Statement

The Board in its report has confirmed that the annual accounts for the year ended 31st March, 2026 have been prepared as per applicable Ind AS and policies and that sufficient care has been taken for maintaining adequate accounting records.

g) Whistle Blower Policy

The Company has adopted Whistle Blower Policy to empower any person associated with the organization to file a grievance if he/ she notice any irregularity. However, the Company has not denied access to any personnel to approach the Audit Committee.

h) Details of compliance with mandatory requirements and adoption of the non- mandatory requirements of this clause.

Company has complied with all the mandatory requirements of the Regulation of the SEBI (LODR) Regulations, 2015. The details of these compliances along with the non-mandatory requirements adopted by the Company have been given in the relevant sections of this report.

V. MEANS OF COMMUNICATION:

In accordance with Regulation 46 of the SEBI Listing Regulations, the Company has maintained a functional website at http://www.arrowgreentech.com containing information about the Company viz., details of its business, financial information, shareholding pattern, compliance with corporate governance, details of the policies approved by the Company, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances etc. The contents of the said website are updated from time to time.

The quarterly and annual consolidated financial results, notices of Board Meetings and Annual General Meetings, are normally published in The Economic Times (English) and Mumbai Lakshadeep (Marathi) newspapers.

Further, the Company disseminates to the Stock Exchanges (i.e. BSE and NSE), wherein its equity shares are listed, all mandatory information and price sensitive/ such other information, which in its opinion, are material and/or have a bearing on its performance/ operations and issues press releases, wherever necessary, for the information of the public at large.

VI. GENERAL BODY MEETINGS:

(i) Location and time of last three Annual General Meetings ('AGM') or Extra Ordinary General Meeting (EGM) held:

Financial Year	Date	Time	Venue
2024-2025	September 22, 2025	3:00 p.m.	Video Conferencing (VC) or Other Audio Visual Means (OAVM)
2023-2024	September 16, 2024	3:00 p.m.	
2022-2023	September 23, 2023	3:00 p.m.	

(ii) Special Resolutions passed in last 3 Extra Ordinary / Annual General Meetings:

Date of A.G.M. / E.O.G.M.	Particulars of Special Resolution
September 22,2025	To approve continuation of tenure of Mr. Shilpan Patel (DIN: 00341068) as Chairman & Managing Director of the Company upon attaining the age of 70 (Seventy) years.
September 16,2024	Re-appointment of Mr. Shilpan P Patel (DIN: 00341068) as Managing Director of the Company. Re-Appointment of Mr. Neil S Patel (DIN: 00607101) as Jt Managing Director of the Company. To approve adoption of Arrow Greentech ESOP Scheme – 2024 ("Scheme")
September 23,2023	Approve transaction under Section 180(1)(a) of the Companies Act 2013

(iii) Special Resolutions passed through Postal Ballot

During the year no Special Resolution was passed through Postal Ballot.

VII. GENERAL INFORMATION FOR SHAREHOLDERS

a) Annual General Meeting

Time : 3:00 P.M.

Date : 18th September, 2026

Venue : Through Video Conferencing (VC) / Other Audio Visual Means (OAVM)

b) Financial Calendar:

The financial year of the Company covers the financial period from April 1 to March 31.

The tentative dates of the Board Meetings for consideration of financial results for the year ending March 31, 2027 are as follows:

1st Quarter Results: by August 14, 2026

2nd Quarter Results: by November 14, 2026

3rd Quarter Results: by February 14, 2027

4th Quarter & Annual Results: Before May 30, 2027

c) Date of Book Closure : 16th September, 2026 to 18th September, 2026 (both days inclusive)

d) Dividend Payment Date : within 5 days from the date of AGM

e) Listing on Stock Exchanges:

Presently, the Equity Shares of the Company are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The Company has paid the annual listing fees for the year 2025-26 to BSE and NSE.

f) Stock Code

ISIN for NSDL & CDSL	INE570D01018
BSE	516064
NSE	ARROWGREEN

g) Corporate Identification Number:

Corporate Identity Number (CIN) of the Company, allotted by the Ministry of Corporate Affairs, Government of India is L21010MH1992PLC069281

h) Share Price Data: High/Low and Volume during each month of 2025-2026 at BSE and NSE:

Month	Company's Shares price at BSE Ltd* (₹)		Company's Shares price at NSE Ltd* (₹)		BSE Sensex		Nifty	
	High	Low	High	Low	High	Low	High	Low
April, 2025	687.95	505.00	692.20	516.00	80,661.31	71,425.01	24,457.65	21,743.65
May, 2025	644.00	543.95	644.90	548.40	82,718.14	78,968.34	25,116.25	23,935.75
June, 2025	718.80	600.00	718.00	603.00	84,099.53	80,354.59	25,669.35	24,473.00
July, 2025	816.15	610.00	817.95	610.95	83,935.01	80,575.45	25,608.10	24,598.60
August, 2025	804.80	542.45	804.00	542.65	82,231.17	79,741.76	25,153.65	24,337.50
September, 2025	602.95	540.70	607.10	541.10	83,141.21	79,818.38	25,448.95	24,432.70
October, 2025	661.40	504.25	659.20	502.20	85,290.06	80,159.90	26,104.20	24,605.95
November, 2025	621.85	530.05	634.00	528.80	86,055.86	82,670.95	26,310.45	25,318.45
December, 2025	568.95	484.25	562.80	484.20	86,159.02	84,150.19	26,325.80	25,693.25
January, 2026	521.05	404.00	521.75	411.75	85,883.50	81,088.59	26,341.20	24,571.75
February, 2026	472.90	400.55	469.00	401.65	85,871.73	79,899.42	26,341.20	24,571.75
March, 2026	463.05	342.00	464.20	341.95	80,632.55	71,774.13	24,989.35	22,283.85

*Source: www.bseindia.com and www.nseindia.com

i) Share Transfer System:

The Registrars and Share Transfer Agent have put in place an appropriate Share Transfer system to ensure timely share transfers. Share transfers are registered and returned in the normal course within an average period of 15 days from the date of receipt, if the documents are clear in all respects. Requests for dematerialization of shares are processed and confirmation is given to the respective depositories i.e. NSDL and CDSL within 21 days.

VIII. Shareholding pattern as at March 31, 2026:

Sr. No	Category of Holders	No. of Shares held	% of Shares held
1.	Promoter and Promoter group	97,82,188	64.83
2.	Mutual Funds/UTI	-	-
3.	Banks/Financial Institutions/ Insurance Companies (Central/ State Govt. Institutions/ Non Govt. Institutions)	-	-
4.	Venture Capital Funds	-	-
5.	Foreign Portfolio Investors	9,859	0.06
6.	Bodies Corporate	1,25,894	0.83
7.	Individuals		
	< Rs. 2 Lac	28,32,772	18.78
	> Rs. 2 Lac	13,49,261	8.94
8.	Clearing Member	12,348	0.08
9.	NRI	2,11,342	1.40
10.	Trust	-	-
11.	Overseas Corporate Bodies	1,40,808	0.93
12.	Investor Education & Protection Fund (IEPF)	2,14,170	1.42
13.	HUF	2,68,011	1.78
14.	LLP	16437	0.11
15.	Key Managerial Personnel	39	0.00
16.	Alternate Investment Funds	1,23,909	0.82
17.	Relatives of promoters	900	0.01
	TOTAL	**1,50,87,938**	**100.00**

IX. The Distribution of Shareholding as at March 31, 2026:

Slab of Shares Holding	No. of Shareholders	%	Amount in (₹)	%
1 - 500	20734	94.84	1,30,53,890.00	8.65
501 - 1000	581	2.66	44,02,620.00	2.92
1001 - 2000	271	1.24	40,53,740.00	2.69
2001 - 3000	85	0.39	21,24,240.00	1.41
3001 - 4000	40	0.18	14,09,110.00	0.93
4001 - 5000	33	0.15	15,37,530.00	1.01
5001 - 10,000	51	0.23	38,74,590.00	2.57
10,001 - Above	67	0.31	12,04,23,660.00	79.82
Total	**21862**	**100.00**	**15,08,79,380.00**	**100.00**

X. Dematerialization of shares and liquidity:

As on March 31, 2026 about 99.69% of the Company's Equity Shares were held in dematerialized form with National Securities Depository Limited and Central Depository Services (India) Limited. The break-up of equity shares held in Physical and dematerialised form as on March 31, 2026, is given below:

Category	No. of Shares	Percentage
NSDL	1,14,45,070	75.86
CDSL	35,96,186	23.83
PHYSICAL	46,682	0.31
TOTAL	**1,50,87,938**	**100.00**

The Promoters hold their entire equity shareholding in the Company in dematerialized form. The Company's equity shares are regularly traded on the BSE and NSE.

XI. Registrar and Share Transfer Agents:

MUFG Intime India Pvt. Ltd,
C 101, 247 Park, L B S Marg,
Vikhroli (West), Mumbai- 400083
Tel No. : 022 – 49186270
Fax No. : 022 – 49186060
E-mail: rnt.helpdesk@in.mpms.mufg.com

XII. Outstanding GDRs/ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity: Not applicable

XIII. Plant location:

Plot No. 5310/5311, GIDC, Ankleshwar – 393 002 (Gujarat)

XIV. Address for Investor Correspondence:

For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address, non-receipt of dividend or any address, non-receipt of dividend or any other query relating to shares, please write to:

MUFG Intime India Pvt. Ltd,
Unit : "Arrow Greentech Ltd."
C 101, 247 Park, L B S Marg,
Vikhroli (West), Mumbai- 400083
Tel No. : 022 – 49186270
Fax No. : 022 – 49186060
E-mail: rnt.helpdesk@in.mpms.mufg.com

For General Correspondence:

Ms. Poonam Bansal
Company Secretary & Compliance Officer
Arrow Greentech Ltd.
1/F Laxmi Industrial Estate, New Link Road
Andheri (West), Mumbai 400 053
Tel No. : 022 – 4974 3759 / 4074 9000
Email: poonam@arrowgreentech.com

XV. Auditors' Certificate on Corporate Governance:

The Company has obtained a Certificate from Haribhakti & Co. LLP, regarding compliance of the conditions of Corporate governance, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")., which together with this Report on Corporate Governance is annexed to this Report and shall be sent to all the members of the Company and the Stock Exchanges along with the Annual Report of the Company

XVI. INVESTOR SAFEGUARDS AND OTHER INFORMATION:

(i) Revalidation of Dividend warrants:

In respect of members who have either not opted for NECS/ECS mandate or do not have such a facility with their banker and who have not encashed earlier dividends paid by the Company, are requested to write to Company's Share Transfer Agents for revalidation of expired dividend warrants and failing their encashment for a period of 7 years, they stand to lose the right to claim such dividend owing to transfer of unclaimed dividends beyond 7 years to Investor Education and Protection Fund.

(ii) Transfer of Unclaimed Dividend to Investor Education & Protection Fund (IEPF):

Under the Companies Act, 2013, dividends which remain unclaimed for a period of 7 years are required to be transferred to the Investor Education &Protection Fund (IEPF) administered by the Central Government. Dates of declaration of dividends since Financial Year 2018-19 and the corresponding dates when unclaimed dividends are due to be transferred to the Central Government are given in the table below.

Financial Year	Type of Dividend	Dividend Per Share ₹	Date of Declaration	Due date for Transfer to IEPF	Amount remaining unclaimed / unpaid as on March 31, 2026 (₹ in Lakhs)
31.03.2019	Final	0.50	Sep 07, 2019	Oct 13, 2026	1.26
31.03.2023	Final	1.00	Sep 23, 2023	Oct 29, 2030	0.56
31.03.2024	Final	2.00	Sep 16, 2024	Oct 23, 2031	1.29
31.03.2025	Final	4.00	Sep 22, 2025	Oct 30, 2032	2.46

Members are further requested to note that after completion of 7 years, no claims shall lie against the said Fund or Company for the amounts of dividend so transferred, nor shall any payment be made in respect of such claims.

(iii) Update Address/ E-mail Address/ Bank details:

To receive all communications/corporate actions promptly, members holding shares in dematerialized form are requested to please update their address/email address/bank details with the respective DPs and in case of physical shares, the updated details have to be intimated to the Registrar & Share Transfer Agents.

(iv) Electronic Service of Documents to Members at Registered Email Address:

In accordance with Rule 18 of the Companies (Management and Administration) Rules, 2014 notified under the Companies Act, 2013, the Companies may give Notice of the General Meetings through electronic mode. Further, the said Rule provides that advance opportunity should be given at least once in a financial year to the Members / Members for registering their email address and changes therein, as may be applicable. Further Rule 11 of the Companies (Accounts) Rules, 2014 notified under the Companies Act, 2013 provides that in case of listed companies, financial statements may be sent by electronic mode to such members / members whose shareholding is in dematerialized form and whose email Ids are registered with the Depository for communication purposes. As regards Members / Members whose shareholding is held in physical form, the financial statements may be sent in electronic mode to those members who have positively consented in writing for receiving by electronic mode.

In view of the above, the Company shall send all documents to Members like General Meeting Notices (including AGM), Annual Reports comprising Audited Financial Statements, Directors' Report, Auditors' Report and any other future communication (hereinafter referred as "documents") in electronic form, in lieu of physical form, to all those members, whose email address is registered with Depository Participant (DP)/Registrars & Share Transfer Agents (RTA) (hereinafter "registered email address') and made available to us, which has been deemed to be the member's registered email address for serving the aforesaid documents.

To enable the servicing of documents electronically to the registered email address, we request the members to keep their email addresses validated/ updated from time to time. We wish to reiterate that Members holding shares in electronic form are requested to please inform any changes in their registered e-mail address to their DP from time to time and Members holding shares in physical form have to write to our RTA, M/s Link Intime India Pvt. Ltd. at their specified address, so as to update their registered email address from time to time.

It may be noted that the Annual Report of the Company will also be available on the Company's website www.arrowgreentech.com for ready reference. Members are also requested to take note that they will be entitled to be furnished, free of cost, the aforesaid documents, upon receipt of requisition from the member, any time, as a member of the Company.

For and on behalf of the Board of Directors

Shilpan P Patel
Chairman & Managing Director
DIN : 00341068

Date: 22nd May 2026
Place: Mumbai

DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT

To
The Member of
Arrow Greentech Ltd.

I, Shilpan P Patel, Chairman & Managing Director of the Company confirm that all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct during the year ended on 31st March, 2026.

For and on behalf of the Board of Directors

Shilpan P Patel
Chairman & Managing Director
DIN : 00341068

Date: 22nd May 2026
Place: Mumbai

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
ARROW GREENTECH LIMITED

We have examined the relevant registers, records forms, returns and disclosers received from the Directors of ARROW GREENTECH LIMITED having CIN :L21010MH1992PLC069281 and having registered office at 1/F, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai 400 053 (hereinafter referred to as 'the Company'), produced before us 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 our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca. gov.) on 28th May 2026, as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended March 31, 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 Directors	DIN	Date of appointment in Company.
1	SHILPAN PRAVIN PATEL	00341068	30/10/1992
2	NEIL SHILPAN PATEL	00607101	01/06/2012
3	JIGISHA SHILPAN PATEL	01899528	14/07/2020
4	YOGESH HARIVADAN GAJJAR	10937614	08/02/2025
5	PRASHANT SUSHILCHANDRA MEHTA	02225808	13/02/2024
6	BARKHARANI HARSH NEVATIA	08531880	13/02/2024

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

For Rajendra And Co.,
Company Secretaries,

CS. Rajendra R. Vaze.
FCS 4247. CP 1975.

Place : Mumbai
Dated : 28th May 2026
UDIN No.: **F004247H000521434**

Peer Review No 2807/2022
Unique Identification No S1993MH011200

Independent Auditors' Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Members of
Arrow Greentech Limited

1. This Certificate is issued in accordance with the terms of our engagement letter dated October 4, 2025.

2. We have examined the compliance of conditions of Corporate Governance by Arrow Greentech Limited ("the Company"), for the year ended on March 31, 2026, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Management's Responsibility

3. The management is responsible for ensuring that the Company complies with the conditions of Corporate Governance. This responsibility also includes the design, implementation and maintenance of internal controls and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

Auditors' Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

6. We conducted our examination in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India ("the ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements issued by the ICAI.

Opinion

8. Based on our examination, as above, and to the best of the information and explanations given to us and representations provided by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Listing Regulations during the year ended March 31, 2026.

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

Restriction on Use

10. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this certificate for any event or circumstances occurring after the date of this certificate.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Himanshu Goradia
Partner
Membership No. 045668
UDIN: 26045668TWHTQW8824
Place: Mumbai
Date: May 22, 2026

FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

To the Members of Arrow Greentech Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Arrow Greentech Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements including a summary of material accounting policy information and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, of the state of affairs of the Company as at March 31, 2026, its profit (including other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Standalone 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 ("the ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and 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 on the standalone financial statements.

Key Audit Matters

We have determined that there are no key audit matters to communicate in our report.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis and Directors' Report, but does not include the standalone financial statements and our auditors' report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(I) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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 auditors' report to the related disclosures in the standalone 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 controls that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we report in "Annexure 1", 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 (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;
   (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
   (e) On the basis of the written representations received from the directors as on March 31, 2026, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2";

(g) With respect to the other matter to be included in the Auditors' Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act;

(h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, 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 standalone financial statements – Refer Note 35 of the standalone financial statements on Contingent Liabilities;

(ii) The Company did not have any material foreseeable losses on long term contracts including derivative contracts;

(iii) There has been no delay in transferring amounts, 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, 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, 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;

(c) Based on the audit procedures that are considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clauses (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement;

(v) As stated in Note 51 of the standalone financial statements:

(a) The final dividend proposed for the previous year, declared and paid by the Company during the current year is in compliance with Section 123 of the Act, as applicable;

(b) The Board of Directors of the Company have proposed final dividend for the current year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in compliance with Section 123 of the Act, as applicable; and

(vi) Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account for the financial year ended March 31, 2026, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention with effect from April 24, 2023.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Himanshu Goradia
Partner
Membership No. 045668
UDIN: 26045668WRMKAM1046
Place: Mumbai
Date: May 22, 2026

ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section in the Independent Auditors' Report of even date to the members of Arrow Greentech Limited ("the Company") on the standalone financial statements for the year ended March 31, 2026]

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information, explanations and written representations given to us by the management and the books of account and other records examined by us in the normal course of audit, we report that:

1. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

   (B) The Company has maintained proper records showing full particulars of Intangible Assets.

   (b) During the year, the Property, Plant and Equipment of the Company have been physically verified by the management and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.

   (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of lessee) disclosed in the standalone financial statements are held in the name of the Company, except for the details given below:

Description of property	Gross carrying value (Rs. in lakhs)	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of Company
Buildings	2	Rishil Exports	Yes, Relative of director	April 01, 1994	Management is in the process of transferring the title deed of the said property in the name of the Company.

   (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and/or Intangible Assets during the year. Accordingly, reporting under clause (i)(d) of paragraph 3 of the Order is not applicable.

   (e) No proceedings have been initiated or are pending against the Company as at March 31, 2026 for holding any Benami property under the Prohibition of Benami Property Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

2. (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in aggregate for each class of inventory were noticed on physical verification carried out during the year.

   (b) The Company has been sanctioned working capital limits exceeding five crore rupees, in aggregate, from bank, secured by current assets. However, in the absence of any drawdown on these working capital limits, the Company is not required to furnish quarterly stock statements to the bank. Accordingly, reporting under clause (ii)(b) of paragraph 3 of the Order is not applicable.

3. (a) According to the information and explanation provided to us, the Company has granted loans to other entities. During the year, the Company has not granted advances in the nature of loans or gave guarantee and provided security to any other entities.

   The details of such loans to Subsidiaries and others are as follows:

(Rs. In Lakhs)

Sr No	Particulars	Guarantees	Security	Loans	Advances in the nature of loans
1	**Aggregate amount granted / provided during the year**				
	- Subsidiaries	-	-	230	-
	-Joint Ventures	-	-	-	-
	- Associates	-	-	-	-
	- Others	-	-	7	-
2	**Balance outstanding as at March 31, 2026 in respect of above cases**				
	- Subsidiaries	-		639	-
	- Joint Ventures	-		-	-
	- Associates	-		-	-
	- Others	-		9	-

(b) The terms and conditions in relation to the grant of loans and investment made during the year, are prima facie, not prejudicial to the interest of the Company. The Company has not granted advances in the nature of loans and provided security to any other entity during the year.

(c) In the case of unsecured loans, the principal and interest are either repayable on demand or their terms have been stipulated. As informed to us, the borrowers have been regular in repayment of principal and interest where due or as demanded by the Company, during the year.

(d) In respect of the aforesaid loans, there is no overdue amount other than already provided for which is remaining outstanding for more than ninety days as at the Balance Sheet date in respect of loans granted. The Company has not granted advances in the nature of loans to any other entity during the year.

(e) There were no loans or advances in the nature of loans granted which has/have fallen due during the year, have been renewed or extended. Further, there were no instances of fresh loans being granted to settle the overdues of existing loans given to the same parties.

(f) The Company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. Details of the same are as below:

(Rs. In Lakhs)

Particulars	All Parties	Promoters	Related Parties*	Remarks
Aggregate amount of loans/advances in nature of loan				
- Repayable on demand (A)	639	-	639	
-Agreement does not specify any terms or period of repayment (B)	-	-	-	
Total (A+B)	639	-	639	
Percentage of loans/advances in nature of loan to the total loans	99%		99%	

*As defined under Section 2(76) of the Act

4. The Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

5. In our opinion, the Company has not accepted any deposits or amounts which are deemed to be deposits. Accordingly, reporting under clause (v) of paragraph 3 of the Order is not applicable.

6. The maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act and rules thereunder. We have broadly reviewed such records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

7. (a) The Company is generally regular in depositing with the appropriate authorities, undisputed statutory dues including Goods and Services tax (GST), provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues applicable to it, though there has been a slight delay in a few cases. During the year 2017-2018, sales tax, value added tax, service tax and duty of excise subsumed in GST and are accordingly, reported under GST.

No undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, GST, customs duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) The dues outstanding with respect to provident fund, employees' state insurance, income tax, GST, sales tax, service tax, value added tax, customs duty, excise duty and cess, on account of any dispute, are as follows:

Statement of Disputed Dues

Name of the statute	Nature of the dues	Amount Unpaid* (Rs. in Lakhs)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax	698	2017-18	Commissioner of Income Tax	

*net of amount paid/adjusted against the demand

8. We have not come across any transactions which were previously not recorded in the books of account of the Company that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

9. (a) The Company has not taken any loans or other borrowings from any lender. Accordingly, reporting under clause (ix)(a) of paragraph 3 of the Order is not applicable.

   (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

   (c) The Company did not obtain any money by way of term loans during the year and there were no outstanding term loans at the beginning of the year. Accordingly, reporting under clause (ix)(c) of paragraph 3 of the Order is not applicable.

   (d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

   (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and associate as defined under the Act. The Company does not have any joint venture.

   (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate company as defined under the Act. The Company does not have any joint venture.

10. (a) The Company has not raised money by way of initial public issue offer / further public offer (including debt instruments) during the year. Accordingly, reporting under clause (x)(a) of paragraph 3 of the Order is not applicable.

    (b) 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, reporting under clause (x)(b) of paragraph 3 of the Order is not applicable.

11. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company nor any fraud on the Company has been noticed or reported during the year, nor have we been informed of any such instance by the management.

    (b) No report under Section 143(12) of the Act has been filed with the Central Government by the auditors of the Company in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, during the year or up to the date of this report.

    (c) There are no whistle blower complaints received by the Company during the year and up to the date of this report.

12. In our opinion, the Company is not a Nidhi Company. Accordingly, reporting under clause (xii) of paragraph 3 of the Order is not applicable.

13. All transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and the details have been disclosed in the standalone financial statements as required by the applicable accounting standards.

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

    (b) We have considered the Internal Audit Reports of the Company issued till date, for the period under audit.

15. The Company has not entered into any non-cash transactions with its directors or persons connected with them during the year and hence, provisions of Section 192 of the Act are not applicable to the Company.

16. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause (xvi)(a) and (b) of paragraph 3 of the Order is not applicable.

    (b) The Company is not a Core Investment Company (CIC) as defined in the Core Investment Companies (Reserve Bank) Directions, 2016 ("the Directions") by the Reserve Bank of India. Accordingly, reporting under clause (xvi) (c) and (d) of paragraph 3 of the Order is not applicable.

    (c) As informed by the Company, the Group to which the Company belongs has no CIC.

17. The Company has not incurred cash losses in the current and the immediately preceding financial year.

18. There has been no resignation of the statutory auditors during the year and accordingly, reporting under clause (xviii) of paragraph 3 of the Order is not applicable.

19. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which cause us to believe that any material uncertainty exists as on the date of this audit report and that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our

reporting is based on the facts up to date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.

20. The Company has made the required contributions towards corporate social responsibility activities during the year and there are no unspent amounts which are required to be transferred either to a Fund specified in Schedule VII of the Act or to a Special Account as per the provisions of Section 135 of the Act read with Schedule VII to the Act. Accordingly, reporting under clause (xx)(a) and (b) of paragraph 3 of the Order is not applicable.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Himanshu Goradia
Partner
Membership No. 045668
UDIN: 26045668WRMKAM1046
Place: Mumbai
Date: May 22, 2026

ANNEXURE 2 TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditors' Report of even date to the members of Arrow Greentech Limited on the standalone financial statements for the year ended March 31, 2026]

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section (3) of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Arrow Greentech Limited ("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 Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, 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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements 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 explanations given to us, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Himanshu Goradia
Partner
Membership No. 045668
UDIN: 26045668WRMKAM1046
Place: Mumbai
Date: May 22, 2026

STANDALONE BALANCE SHEET AS AT MARCH 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,485	1,687
Right of Use assets	3A	167	-
Capital work-in-progress	3C	48	121
Intangible assets	3	53	47
Intangible assets under development	3C	79	74
Investment Property	4	10	11
Financial assets			
(i) Loans	6	624	399
(ii) Investment in subsidiaries and associates	5	3,693	3,693
(iii) Other Financial Asset	7	739	588
Deferred tax assets (Net)	33(c)	191	194
Income tax assets (Net)	8	151	151
Other non - current assets	9	105	20
Total Non- current assets		**7,345**	**6,985**
Current assets			
Inventories	10	2,224	1,978
Financial assets			
(i)Investments	5A	7,621	4,515
(ii) Trade Receivables	11	3,097	2,368
(iii) Cash and cash equivalents	12	106	555
(iv) Bank balances other than (iii) above	13	2,601	2,861
(v) Loans	14	8	16
(vi) Other financial assets	15	33	34
Other current assets	16	383	335
Total current assets		**16,073**	**12,662**
TOTAL ASSETS		**23,418**	**19,647**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	17	1,509	1,509
Other Equity	18	20,614	16,961
Total Equity		**22,123**	**18,470**
Non-current liabilities			
Financial Liabilities			
(i) Lease Liabilities	3B	123	-
Provisions	19	65	46
Total Non current Liabilities		**188**	**46**
Current liabilities			
Financial liabilities			
(i) Trade payables	20		
- Total outstanding dues to Micro and Small Enterprises		262	212
- Total outstanding dues to others		141	353
(ii) Other financial liabilities	21	422	460
(iii) Lease Liabilities	3B	55	-
Provisions	22	44	47
Other current liabilities	23	183	59
Total current Liabilities		**1,107**	**1,131**
Total Liabilities		**1,295**	**1,177**
TOTAL EQUITY AND LIABILITIES		**23,418**	**19,647**
Material accounting policies	2		

The accompanying notes are an integral part of these financial statements (1-54).

As Per our report of even date

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

Himanshu Goradia
Partner
Membership No: 045668

Place : Mumbai
Date : May 22, 2026

For and on behalf of the Board of Directors of
Arrow Greentech Limited
CIN : L21010MH1992PLC069281

Shilpan Patel
Managing Director
DIN No : 00341068

Neil Patel
Joint Managing Director
DIN No : 00607101

Hitesh Punglia
Chief Financial Officer

Poonam Bansal
Company Secretary

STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

Particulars	Notes	Year ended	
		March 31, 2026	March 31, 2025
INCOME			
Revenue from Operations	24	15,675	20,121
Other Income	25	795	481
Total Income		**16,470**	**20,602**
EXPENSES			
Cost of Material Consumed	26	6,111	7,255
Purchase of stock-in-trade		555	753
Change in inventory of finished goods, work-in-progress & stock in trade	27	(151)	531
Employees Benefits Expenses	28	1,373	1,234
Finance Costs	29	31	12
Depreciation and Amortisation expenses	3-4	530	473
Other Expenses	30	2,236	2,055
Total Expenses		**10,685**	**12,313**
Profit before tax		**5,785**	**8,289**
Income tax expense			
Current Tax	33	1,480	2,084
Deferred Tax		(0)	3
Earlier Year Tax Adjustment		56	12
Total tax expense		**1,536**	**2,099**
Profit after tax		**4,249**	**6,190**
Other comprehensive income not to be reclassified to profit or loss :			
Re-measurement gains/ (losses) on defined benefit plans	39	10	(8)
Income tax relating to the above items	33	(3)	2
		7	(6)
Total comprehensive income for the year, net of tax		**4,256**	**6,184**
Earnings per equity share (₹)			
Basic and Diluted [Nominal value of the shares ₹ 10 (March 31, 2025 : ₹ 10)]	34	28.16	41.03

The accompanying notes are an integral part of these financial statements (1-54).

As Per our report of even date

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

Himanshu Goradia
Partner
Membership No: 045668

Place : Mumbai
Date : May 22, 2026

For and on behalf of the Board of Directors of
Arrow Greentech Limited
CIN : L21010MH1992PLC069281

Shilpan Patel
Managing Director
DIN No : 00341068

Neil Patel
Joint Managing Director
DIN No : 00607101

Hitesh Punglia
Chief Financial Officer

Poonam Bansal
Company Secretary

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

Particulars		Year Ended	
		March 31, 2026	March 31, 2025
Cash flows from operating activities			
Profit before tax		5,785	8,289
Adjustment to reconcile profit before tax to net cash flows			
Depreciation and amortisation		530	473
Fair value Loss / (gain) on non-current investments		(225)	(132)
Unrealised Foreign Exchange (gain)/loss		42	(6)
Net (gain)/ loss on sale of investments		(206)	(109)
Finance Cost		31	12
Interest and Dividend income		(321)	(216)
Provision For Doubtful Debts and advances		(16)	9
Cash generated from operations before working capital changes		**5,620**	**8,320**
Working capital adjustments:			
Decrease / (Increase) in trade receivables		(686)	66
Decrease/ (Increase) in Inventories		(246)	185
Decrease/ (Increase) in Other Assets		(119)	49
Increase/ (Decrease) in Trade Payables and Other Liabilities		(102)	315
Cash generated from operations		**4,467**	**8,935**
Income tax paid (Net of Refund)		(1,536)	(2,347)
Net Cash from Operating Activities	**(A)**	**2,931**	**6,588**
Cash flows from investing activities			
Purchase of Property, plant and equipment, CWIP, Intangible Assets and Intangible Assets under Development		(189)	(570)
Sale of Property, Plant and Equipment		-	5
Refund of security deposit		-	16
Loan to subsidiary company		(230)	(362)
Maturity/ (Investment) of Bank deposits (net)		97	(773)
(Purchase)/ Sale of Mutual funds (net)		(2,675)	(4,265)
Interest and Dividend Income		297	191
Net cash used in investing activities	**(B)**	**(2,700)**	**(5,758)**
Cash flows from financing activities			
Repayment of Long term Borrowing		-	(33)
Finance cost Paid		(12)	(12)
Dividend Paid		(604)	(314)
Repayment of Lease Liabilities		(65)	(9)
Net cash used in financing activities	**(C)**	**(681)**	**(368)**
Net Increase / (Decrease) In Cash And Cash Equivalents (A+B+C)		**(449)**	**462**
Effect of exchange difference on Cash and Cash Equivalents		-	-
Cash and Cash equivalents at the beginning of the year		555	93
Cash and Cash equivalents at the end of the year		106	555
Components of closing cash and cash equivalents (refer note - 12)			
Cash on hand*		0	0
Balances with Banks			
In Current Accounts		106	553
Deposits with original maturity of less than 3 months		-	2
Cash and Cash equivalents at the end of the year		**106**	**555**

*Represents Amounts Less than ₹ 0.5 Lakhs as at March 31, 2026 & March 31, 2025.

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

Refer Note 3B for Change in Liabilities arising from financing activities for the year ended March 31, 2026

Changes in financial liabilities arising from Financing activities

Particulars	Balance as at 01-Apr-24	Cash flows	Balance as at 31-Mar-25
Non current borrowings	13	(13)	-
Current borrowings	20	(20)	-
Total	**33**	**(33)**	**-**

Notes:

Above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard 7 (Ind AS -7) "Statement of Cash Flow".

Previous year's figures have been regrouped / rearranged wherever necessary, to conform to figures of the current year.

The accompanying notes are an integral part of these financial statements (1-54).

As Per our report of even date

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

Himanshu Goradia
Partner
Membership No: 045668

Place : Mumbai
Date : May 22, 2026

For and on behalf of the Board of Directors of
Arrow Greentech Limited
CIN : L21010MH1992PLC069281

Shilpan Patel
Managing Director
DIN No : 00341068

Neil Patel
Joint Managing Director
DIN No : 00607101

Hitesh Punglia
Chief Financial Officer

Poonam Bansal
Company Secretary

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

a. Equity shares of Indian ₹ 10/- each issued, subscribed and fully paid

	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning	1,50,87,938	1,509	1,50,87,938	1,509
Changes in equity share capital during the year	-	-	-	-
Balance at the end	**1,50,87,938**	**1,509**	**1,50,87,938**	**1,509**

b. Other Equity

	Attributable to owners				
	Reserves and Surplus				
	Securities Premium Reserve	Capital Reserve	General Reserve	Retained Earnings	Total
Balance at March 31, 2024	**1,882**	**82**	**2**	**9,111**	**11,079**
Profit for the year	-	-	-	6,190	6,190
Other comprehensive income (net of tax)	-	-	-	(6)	(6)
Total comprehensive income for the year	**-**	**-**	**-**	**6,184**	**6,184**
Transactions with owners of company					
Payment of Dividend	-	-	-	(302)	(302)
Balance at March 31, 2025	**1,882**	**82**	**2**	**14,995**	**16,961**
Profit for the year	-	-	-	4,249	4,249
Other comprehensive income (net of tax)	-	-	-	7	7
Total comprehensive income for the year	**-**	**-**	**-**	**4,256**	**4,256**
Transactions with owners of company					
Payment of Dividend	-	-	-	(604)	(604)
Balance at March 31, 2026	**1,882**	**82**	**2**	**18,647**	**20,614**

The accompanying notes are an integral part of these financial statements (1-54).

As Per our report of even date

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

Himanshu Goradia
Partner
Membership No: 045668

Place : Mumbai
Date : May 22, 2026

For and on behalf of the Board of Directors of
Arrow Greentech Limited
CIN : L21010MH1992PLC069281

Shilpan Patel
Managing Director
DIN No : 00341068

Neil Patel
Joint Managing Director
DIN No : 00607101

Hitesh Punglia
Chief Financial Officer

Poonam Bansal
Company Secretary

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(All amounts in Indian Rupees in lakhs unless otherwise stated)

1. Corporate Information:

Arrow Greentech Limited ("the Company") is a public company domiciled in India and incorporated under the provisions of the Companies Act, 2013. Its shares are listed on BSE & NSE in India. The Company is engaged in business of bio-degradable (green) products, high-tech product and having Patents income for such products/technology. The Company caters to both domestic and international markets. The registered office of the Company is located at 1/F Laxmi Industrial Estate, New Link Road, Andheri West, Mumbai - 400053, India.

2. Material accounting policies

A Basis of accounting and preparation of Financial Statements:

Compliance with Indian Accounting Standards (Ind AS):

a) These Standalone Ind AS Financial Statements ("Financial Statements") of the Company, have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards ("Ind AS") as notified under section 133 of the Companies Act, 2013 ("the Act") read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act and accounting principles generally accepted in India. Accounting policies have been consistently applied. These Financial Statements were authorized for issue by the Company's Board of Directors on May 22, 2026.

Functional and Presentation Currency:

These Financial Statements are presented in Indian rupees (in Lakhs), which is the functional currency of the Company.

Basis of accounting and measurement:

These Financial Statements are prepared under the historical cost convention except for certain financial instruments which are measured at fair value or at amortized cost at the end of each reporting period.

Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value measurements are categorised as below, based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

(i) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date;

(ii) Level 2 inputs are inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly or indirectly; and

(iii) Level 3 inputs are unobservable inputs for the valuation of assets or liabilities.

Above levels of fair value hierarchy are applied consistently and generally, there are no transfers between the levels of the fair value hierarchy unless the circumstances change warranting such transfer.

Presentation of standalone financial statements:

The balance sheet and the statement of profit and loss are prepared in the format prescribed in schedule III to the Act. The statement of cash flows has been prepared under indirect method and presented as per the requirements of Ind AS 7 “Statement of cash flows”. The disclosure requirements with respect to items in balance sheet and statement of profit and loss, as prescribed in schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Ind AS and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended. Amounts in the standalone financial statements are presented in Indian Rupees in lakhs rounded off up to two decimal places as permitted by schedule III to the Companies Act, 2013. Per share data are presented in Indian Rupees to two decimal places.

Use of Estimates and Judgements:

The preparation of the Standalone Financial Statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Management believes that the estimates used in preparation of the Standalone financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the year in which the results are known/ materialise. Estimates and underlying assumptions are reviewed on an ongoing basis.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the accounting policies.

The areas involving critical estimates or judgments are:

- Measurement of defined benefit obligations:

The cost and present value of the gratuity obligation and compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition rate and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

- Measurement and likelihood of occurrence of provisions and contingencies:

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The Group uses significant judgements to assess 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 Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the consolidated financial statements.

- Fair value measurement of financial instruments:

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

- Estimation of tax expenses and liability:

The Company uses judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised 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 utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

- Useful lives of property, plant, equipment and intangibles:

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

- Right to use:

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

- Impairment of financial assets such as trade receivables:

Measurement of impairment of financial assets require use of estimates, which have been explained in the note on financial assets, financial liabilities and equity instruments, under impairment of financial assets (other than at fair value).

B Revenue Recognition:

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to the contract are committed to perform their respective obligations, each party's rights and obligations and the payment terms can be identified, the contract has commercial substance and it is probable that the entity will collect the consideration to which it is entitled to in exchange for the services that will be transferred to the customer.

The Company recognizes provision for sales return, based on the historic results, measured on net basis of the margin of the sale. Therefore, a refund liability, included in other current liabilities, are recognized for the products expected to be returned.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the group as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

i) Sale of products: Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

ii) Rendering of services: Revenue from services is recognized over time by measuring progress towards satisfaction of performance obligation for the services rendered.

C Property, Plant and Equipment:

i) Recognition and measurement:

Property, plant and equipment are measured at cost / deemed cost, less accumulated depreciation and impairment losses, if any. Cost of Property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the asset to its working condition for its intended use and estimated attributable costs of dismantling and removing the asset and restoring the site on which it is located.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Gains or losses arising from derecognition of plant, property and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Any gain or loss on disposal of an item of property, plant and equipment is recognised in Statement of Profit and Loss.

ii) Depreciation:

Depreciation on Property, Plant and Equipment has been provided on written down value basis and manner prescribed in Schedule II to the Companies Act 2013.

Depreciation on additions/disposals is provided on a pro-rata basis i.e. from / upto the date on which asset is ready for use/disposed off.

Leasehold Land are amortised over the term of the underlying lease.

iii) Derecognition:

The carrying amount of an item of PPE is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of PPE is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the Statement of Profit and Loss when the item is derecognized.

D Capital work in Progress:

Expenditure during the construction/ pre-operative period is included under Capital Work-in-Progress and same is allocated to the respective Property, Plant and Equipment on the completion of project.

E Intangible assets:

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a Straight Line Basis over their estimated useful lives. Costs related to patents are written off over the remaining useful life from the day of grant. Computer Software's are amortized over a period of 3 years from the date of acquisition.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

Expenditure on research and development eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

F Investment Property:

Investment property is property (land or a building or part of a building or both) held either to earn rental income or for capital appreciation or for both, but neither for sale in the ordinary course of business nor used in production or supply of goods or services or for administrative purposes. Investment properties are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.

Based on technical evaluation and consequent advice, the management believes a period of 54 years as representing the best estimate of the period over which investment property are expected to be used. Accordingly, the Company depreciates investment properties over a period of 54 years on a written down value basis.

Any gain or loss on disposal of investment property calculated as the difference between the net proceeds from disposal and the carrying amount of the Investment Property is recognized in Statement of Profit and Loss.

Fair values is determined by an independent valuer who holds a recognized and relevant professional qualification and has recent experience in the location and category of the investment property valued.

G Research and Development Cost:

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a products' technical feasibility has been established, in which case such expenditure is capitalized.

Product development costs that are directly attributable to the design and testing of identifiable and unique products controlled by the Company are recognised as intangible assets if, and only if, technical and commercial feasibility of the project is demonstrated, future economic benefit are probable, the Company has intention and ability to complete and use or sell the assets and cost can be measured reliably.

The amount capitalized comprise expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Capitalised product development costs are recorded as intangible assets and amortised bssis the useful life as estimated by the management.

H Impairment of Assets:

i) Financial assets:

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (“ECL”) model for measurement and recognition of impairment loss on the financial assets measured at amortised cost and debt instruments measured at FVOCI. Loss allowances on trade receivables are measured following the 'simplified approach' at an amount equal to the lifetime ECL at each reporting date. In respect of other financial assets, the loss allowance is measured at 12 month ECL only if there is no significant deterioration in the credit risk since initial recognition of the asset or asset is determined to have a low credit risk at the reporting date. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in Statement of Profit and Loss.

ii) Non-Financial Assets:

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). The impairment loss is recognised as an expense in the Statement of Profit and Loss.

I Investment:

Investments that are readily realisable and intended to be held for not more than a year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognise a decline, other than temporary, in the value of the long term investments.

J Inventories:

i) Raw Materials, packing materials, Stores and Spares are valued at lower of cost arrived on First In First Out method and Net Realisable Value. Cost of raw materials comprises cost of purchases.

ii) Work-in-progress and Finished Goods are valued at lower of cost and Net Realisable Value. Cost of work-in-progress and finished goods comprises direct materials, direct labor and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

iii) Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a FIFO basis.

Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

K Employee Benefits:

i) Short-term obligations:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

ii) Other long-term employee benefit obligations:

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the Balance Sheet if the Company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii) Post-employment obligations:

The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity; and

(b) defined contribution plans such as provident fund.

Defined Benefit Plans:

The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee Benefit expense in the Statement of Profit and Loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the year in which they occur, directly in other comprehensive income they are included in retained earnings in the Statement of changes in equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of Profit and Loss as past service cost.

- Defined contribution plan:

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as Defined contribution Plans and the contributions are recognised as employee Benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

- Leave entitlement and compensated absences:

Accumulated leave which is expected to be utilised within next twelve months, is treated as short-term employee benefit. Leave entitlement, other than short term compensated absences, are provided based on a actuarial valuation, similar to that of gratuity benefit. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognised in the Statement of Profit and Loss in the period in which they occur.

-Short-term Benefits:

Short-term employee benefits such as salaries, wages, performance incentives etc. are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences is recognised in the period in which the absences occur.

-Termination benefits:

Termination benefits are recognised as an expense as and when incurred.

L Leases:

Company is lessee:

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are premeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and right-to-use asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The following is the summary of practical expedients elected on initial application.

1) Applied a single discount rate to portfolio of leases of similar assets in similar economic environment with similar end date.
2) Applied the exemption not to recognize right to use of asset and liabilities for leases with less than 12 months of lease term of the date of initial application.
3) Applied the practical expedient to grandfather the assessment of which transactions are leases.
4) Excluding initial direct costs for the measurement of right to use of asset at the date of initial application.

Company is lessor:

Leases for which the Company is a lessor is classified as finance or operating lease. Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

M Foreign Currency Transactions / Translations:

Initial Recognition:

Foreign currency transactions are initially recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. However, for practical reasons, the Company uses a monthly average rate if the average rate approximate the actual rate at the date of the transactions.

Conversion:

Monetary assets and liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Treatment of Exchange Difference:

Exchange differences arising on settlement/ restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

N Income Tax:

Income tax expense comprises current tax and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates items recognised directly in equity or in Other Comprehensive Income (OCI).

The income tax expense or credit for the period is tax payable on the current year's taxable income based on the applicable income tax rate adjusted by change in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. Current tax comprises of expected tax payable or receivable on taxable income/loss for the year or any adjustment or receivable in respect of previous year. Management periodically evaluates position taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amount expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the Balance Sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting date and are expected to apply to the Company when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences, unused losses and unused tax credits. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable or no longer probable respectively that the related tax benefit will be realized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The Company recognizes interest levied related to income tax assessments in interest expenses.

O Earnings Per Share:

(i) Basic earnings per share:

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company;
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share:

Diluted earnings per share is calculated by dividing:

- the net profit or loss after tax for the year attributable to owners of the Company;
- by the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

P Provisions:

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Q Contingent Liabilities:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the Financial Statements.

R Cash and cash equivalents:

Cash and cash equivalents in the Balance Sheet include cash on hand, cheques on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and overdrawn bank balances.

S Cash Flows:

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

T Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a. Financial Liabilities:

Initial recognition and measurement:

Financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liability is initially measured at transaction price and where such price is different from fair value, at fair value.

Subsequent measurement:

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

Financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through profit or loss.

Loans and borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of profit and loss.

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 and Loss.

b. Financial assets:

Initial recognition and measurement:

At initial recognition, financial asset is measured at its fair value plus or minus, in the case of a financial asset not "at fair value through profit or loss" are measured at transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit and loss.

Classification and subsequent measurement:

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Company classifies financial assets as subsequently measured at amortised cost, fair value through OCI or fair value through profit and loss.

i) Financial assets amortised at cost:

A financial asset is subsequently measured at amortised cost if it is held with in a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely consisting payments of principal and interest on the principal amount outstanding.

ii) Financial assets at fair value through other comprehensive income:

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the

contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments principal and interest on the principal amount outstanding.

iii) Financial assets at fair value through profit or loss:

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss. Interest and dividend income from these financial assets is included in "Other income". Net gains and losses, including any interest or dividend income are recognized in statement of profit and loss.

Equity investments:

All equity investments within the scope of Ind-AS 109 are measured at fair value. Such equity instruments which are held for trading are classified as FVTPL. For all other such equity instruments, the Company decides to classify the same either as FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in OCI. Dividends on such equity instruments are recognised in the Statement of Profit and Loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss. Dividends on such equity instruments are recognised in the Statement of Profit and Loss.

Derecognition:

A financial asset is derecognized when:

- the Company has transferred substantially all the risks and rewards of the asset, or

- the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

c. Offsetting of financial instruments:

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

U Current–non-current classification:

All assets and liabilities are classified into current and non-current.

Assets:

An asset is classified as current when it satisfies any of the following criteria:

a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;

b) it is held primarily for the purpose of trade;

c) it is expected to be realised on demand or within 12 months after the reporting date; or

d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities:

A liability is classified as current when it satisfies any of the following criteria:

a) it is expected to be settled in the company's normal operating cycle;

b) it is held primarily for the purpose of trade;

c) it is due to be settled in demand or within 12 months after the reporting date; or

d) there is no unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

V Operating cycle:

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation

in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

W Segment Reporting:

The Company determines segments based on the internal organisation and management structure of the Company and its system of internal financial reporting and the nature of its risks and its returns. The Board of Directors of the Company has been identified as Chief Operating Decision Maker (CODM). CODM evaluates the Company's performance, allocate resources based on analysis of various performance indicators of the Company for disclosing in the segment report. The accounting policies adopted for segment reporting are in line with the accounting policies of the Company.

Segment revenue includes income directly identifiable with the segments.

Expenses that are directly identifiable with the segments are considered for determining the segment result. Expenses which relate to the Company as a whole and not allocable to segments and expenses which relate to the operating activities of the segment but are impracticable to allocate to the segment, are included under "Unallocable corporate expenses".

Income which relates to the Company as a whole and not allocable to segments are included in Unallocable Income and netted off from Unallocable corporate expenses.Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable corporate assets and liabilities represent the assets and liabilites that relate to the Company as a whole and not allocable to any segment.

X Other income:

i. Interest income is accrued on a time basis by reference to the principal outstanding and the effective interest rate.

ii. Dividend income is accounted for in the period in which the right to receive the same is established.

iii. Exchange gain/loss consists of realized gain/loss and revaluation gain/loss on translation of foreign currency assets and liabilities.

iv. Other items of income are accounted as and when the right to receive arises and it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Y Employee Stock option scheme:

In respect of stock options granted pursuant to the Company's stock options scheme, the excess of fair value of the option over the exercise price is treated as discount and accounted as employee compensation cost over the vesting period. The amount recognised as expense each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as expense in respect of such grant is transferred to general reserve.

Z Borrowing cost:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

AA Recent Accounting Pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules from time to time. During the year ended March 31, 2026, MCA has notified the following amendments to Indian Accounting Standards, applicable to the Group from April 1, 2025:

Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 - The amendment relates to classification of liabilities as current or non -current and current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of the existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on the classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.

Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

Ind AS 12 – Income Taxes relating to International Tax Reform – Pillar Two Model Rules. The Company has no impact of this amendment.

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

3 Tangible and intangible assets

	Gross carrying amount				Accumulated depreciation / amortisation				Net block
	Carrying amount as at April 01, 2025	Additions during the year	Disposal during the year	As at March 31, 2026	Up to April 01, 2025	Charge for the year	Disposal during the year	Up to March 31, 2026	As At March 31, 2026
A Property, plant and equipment									
Leasehold Land	495	-	-	495	11	6	-	17	478
Factory Building	339	29	-	368	236	30	-	267	101
Plant and Equipment	3,045	191	-	3,236	2,386	296	-	2,682	554
Furniture and Fixtures	245	11	-	256	101	46	-	147	109
Electrical Installation	91	4	-	95	56	9	-	65	30
Vehicles	169	-	-	169	58	34	-	92	77
Office Equipment	93	11	(2)	102	62	17	(2)	77	25
Computer	71	9	-	80	61	8	-	69	11
Office Building (Refer Note 1)	19	-	-	19	4	1	-	5	14
Lease Hold Improvement	100	-	-	100	4	10	-	14	86
Total A	**4,666**	**255**	**(2)**	**4,919**	**2,979**	**456**	**(2)**	**3,434**	**1,485**
B Capital work-in-progress (Refer Note 3C)	121	63	(136)	48	-	-	-	-	48
Total B	**121**	**63**	**(136)**	**48**	**-**	**-**	**-**	**-**	**48**
C Intangible assets									
Patent rights	250	21	-	271	212	11	-	223	48
Software	17	-	-	17	8	5	-	13	5
Total C	**267**	**21**	**-**	**288**	**221**	**16**	**-**	**236**	**53**
D Intangible assets under development (Refer Note 3C)									
Patent rights	74	26	(21)	79	-	-	-	-	79
Total D	**74**	**26**	**(21)**	**79**	**-**	**-**	**-**	**-**	**79**
Total (A+B+C+D)	**5,129**	**364**	**(159)**	**5,335**	**3,200**	**472**	**(2)**	**3,670**	**1,665**

Note : (1) Building having gross value of ₹ 2 (P.Y. ₹ 2) is pending for registration in the name of the Company. Management is of the opinion that the building will be transferred in the name of the Company in due course.

Description of Property	Gross Carrying Value	Held in Name of	Whether Promoter, director or their relative or employee	property held since which Period	Reason for not being held in the name of company
Office Building	2	Rishil Exports	Relative of Promoter	01-04-1994	in process

(2) Assets disposed during the year Office Equipment - ₹2 Lakhs

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

3 Tangible and intangible assets

	Gross carrying Amount				Accumulated depreciation / amortisation				Net block
	Carrying amount as at April 01, 2024	Additions during the year	Disposal during the year	As at March 31, 2025	Up to April 01, 2024	Charge for the year	Disposal during the year	Up to March 31, 2025	As At March 31, 2025
A Property, plant and equipment									
Leasehold Land	495	-	-	495	5	6	-	11	484
Factory Building	326	13	-	339	199	38	-	236	102
Plant and Equipment	2,763	282	-	3,045	2,081	305	-	2,386	659
Furniture and Fixtures	110	135	-	245	68	33	-	101	144
Electrical Installation	66	25	-	91	49	7	-	56	35
Vehicles	158	54	(43)	169	69	30	(41)	58	111
Office Equipment	64	29	-	93	50	12	-	62	31
Computer	58	13	-	71	53	8	-	61	10
Office Building (Refer Note 1)	18	0	-	19	2	2	-	4	15
Lease Hold Improvement	-	100	-	100	-	4	-	4	96
Total A	**4,058**	**651**	**(43)**	**4,666**	**2,575**	**445**	**(41)**	**2,979**	**1,687**
B Capital work-in-progress (Refer Note 3C)	**211**	**391**	**(481)**	**121**	**-**	**-**	**-**	**-**	**121**
Total B	**211**	**391**	**(481)**	**121**	**-**	**-**	**-**	**-**	**121**
C Intangible assets									
Patent rights	233	17	-	250	200	12	-	212	38
Software	11	6	-	17	0	8	-	8	9
Total C	**244**	**23**	**-**	**267**	**201**	**20**	**-**	**221**	**47**
D Intangible assets under development (Refer Note 3C)									
Patent rights	61	32	(18)	74	-	-	-	-	74
Total D	**61**	**32**	**(18)**	**74**	**-**	**-**	**-**	**-**	**74**
Total (A+B+C+D)	**4,574**	**1,097**	**(542)**	**5,129**	**2,775**	**465**	**(41)**	**3,200**	**1,929**

Note : (1) Building having gross value of ₹ 2 (P.Y. ₹ 2) is pending for registration in the name of the Company. Management is of the opinion that the building will be transferred in the name of the Company in due course.

Description of Property	Gross Carrying Value	Held in Name of	Whether Promoter, director or their relative or employee	property held since which Period	Reason for not being held in the name of company
Office Building	2	Rishil Exports	Relative of Promoter	01-04-1994	in process

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

3A Right to use

All lease agreements are duly executed in favour of the Group.

Gross Block

Particulars	March 31, 2026	March 31, 2025
Balance as at beginning of the year	-	38
Addition	224	-
Deletion	-	(38)
Balance as at end of the year	**224**	**-**

Accumulated Depreciation

Particulars	March 31, 2026	March 31, 2025
Balance as at beginning of the year	-	30
Depreciation	57	8
Deletion	-	(38)
Balance as at end of the year	**57**	**-**

Net Block as at end of the year	**167**	**-**

3B Lease Liabilities

Particulars	March 31, 2026	March 31, 2025
Balance as at beginning of the year	-	9
Addition	224	-
Interest Expenses *	19	0
Payment of Lease liabilities	(65)	(9)
Balance as at end of the year	**177**	**-**

Current	55	-
Non - Current	123	-
Closing Balance	**177**	**-**

The Company's lease asset class primarily consist of Office premises/ factory premises.

a. The maturity analysis of lease liabilities are disclosed in Note 42 (ii).
b. The interest expenses on lease liabilities recognised is given in Note 29.
c. The Company incurred expenses of ₹ 25 lakhs for the year ended March 31, 2026 (₹ 57 lakhs: March 31, 2025) relating to short-term leases.
d. The total cash outflow for leases is for the year ended March 31, 2026 ₹ 65 lakhs (March 31, 2025 : ₹ 9 lakhs)
e. The weighted average lessee's incremental borrowing rate applied to the lease liabilities is 9.80% p.a.

*Represents amounts less than ₹ 0.5 Lakh for the Year Ended March 31, 2025

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

3C Capital WIP Ageing Schedule

As at March 31, 2026	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Tangible Assets					
Project in Progress	34	10	1	3	48
Projects temporarily suspended	-	-	-	-	-
	34	**10**	**1**	**3**	**48**
Intangible Assets					
Project in Progress	26	8	31	14	79
Projects temporarily suspended	-	-	-	-	-
	26	**8**	**31**	**14**	**79**

As at March 31, 2025	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Tangible Assets					
Project in Progress	112	5	3	1	121
Projects temporarily suspended	-	-	-	-	-
	112	**5**	**3**	**1**	**121**
Intangible Assets					
Project in Progress	8	31	35	-	74
Projects temporarily suspended	-	-	-	-	-
	8	**31**	**35**	**-**	**74**

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

4 Investment Property

	Gross carrying amount				Accumulated depreciation				Carrying amount
	Carrying amount as at April 01, 2025	Additions during the year	Disposal during the year	As at March 31, 2026	Up to April 01, 2025	Charge for the year	Disposal during the year	Up to March 31, 2026	As At March 31, 2026
Guest House	17	-	-	17	6	1	-	7	10
Total	**17**	**-**	**-**	**17**	**6**	**1**	**-**	**7**	**10**

	Gross carrying amount				Accumulated depreciation				Carrying amount
	Carrying amount as at April 01, 2024	Additions during the year	Disposal during the year	As at March 31, 2025	Up to April 01, 2024	Charge for the year	Disposal during the year	Up to March 31, 2025	As at March 31, 2025
Guest House	17	-	-	17	5	1	-	6	11
Total	**17**	**-**	**-**	**17**	**5**	**1**	**-**	**6**	**11**

(i) Amount recognised in Statement of Profit and Loss for investment property

	As at March 31, 2026	As at March 31, 2025
Depreciation	1	1
Profit / (loss) from investment property	**(1)**	**(1)**

(ii) Fair value

Investment property #	26	26

 # Estimation of Fair value

The Company had carried out the fair valuation of property involving external independent valuation expert in March 2025. As per the fair valuation report dated March 31, 2025 the fair value of investment property is ₹ 26.04 lakhs. The valuation model has considered various inputs like cost, location, market appreciation, etc. No fair valuation has been done for March 2026

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

5 Non-current Investments

	As at			
	March 31, 2026		March 31, 2025	
	Nos.	Amount	Nos.	Amount
Investment in Equity instruments of subsidiaries (Unquoted) (Fully paid up) (Trade)				
Investment in Arrow Green Technologies (UK) Limited of face value £1 each March 31, 2026 100% holding (March 31, 2025 100% holding)	20,099	16	20,099	16
Investment in Arrow Secure Technology Private Limited of face value ₹ 10 each March 31, 2026 100% holding (March 31, 2025 100% holding)	431,175	-	431,175	-
Investment in Avery Pharmaceuticals Private Limited of face value ₹ 10 each March 31, 2026 99.65% holding (March 31, 2025 99.65% holding) (Refer Note 46)	712,000	3,639	712,000	3,639
Investment in LQ Arrow Security Products (India) Private Limited of face value ₹ 10 each March 31, 2026 51% holding (March 31, 2025 51% holding)	382,499	38	382,499	38
		3,693		**3,693**
Investment in Equity instruments of Associates (Unquoted) (Fully paid up) (Trade)				
Investment in SP Arrow Bio-Polymer Products Private Limited of face value ₹ 10 each March 31, 2026 46% holding (March 31, 2025 46% holding)	4,600	-	4,600	-
		3,693		**3,693**
Aggregate amount of quoted investments and market value thereof		-		-
Aggregate amount of unquoted investments		3,693		3,693
Aggregate amount of impairment in the value of investments		-		-
5 A Investments				
In Equity Instruments (Unquoted), (Fully Paid), Non-Trade, at Fair value through Profit or Loss				
Shamrao Vithal Co- operative Bank **		0		0
Equity Shares of ₹ 25 each	300		300	
Equity Shares of ₹ 10 each	100		100	
In mutual funds (quoted) (Non-Trade), at Fair Value through Profit or Loss (refer below details)		7,621		4,515
		7,621		**4,515**
** Represents Amount Less than ₹ 0.5 Lakh as at March 31, 2026 and March 31, 2025				
Aggregate amount of quoted investments and market value thereof		7,621		4,515
Aggregate amount of unquoted investments		0		0
Aggregate amount of impairment in the value of investments		-		-

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

Investment in mutual funds (quoted) (fully paid up) at Fair Value through Profit and Loss

	As at			
	March 31, 2026		March 31, 2025	
	Units	Amount	Units	Amount
ICICI Prudential Savings Fund - Daily Dividend	2,413	3	2,273	2
HDFC Liquid Fund- Regular Plan - Growth	338	18	175	9
ICICI Prudential Equity Arbitrage Fund - Growth	1,10,01,681	3,943	75,83,140	2,560
HDFC Arbitrage Fund-WS Growth	62,39,313	1,997	64,42,509	1,944
ICICI Overnight Fund DP Growth ***	5	0	5	0
HDFC Arbitrage Fund-Direct Growth	51,94,151	1,099	-	-
HDFC Liquid Fund- Direct Growth	10,379	562	-	-
		7,621		**4,515**

*** Represents Amounts Less than ₹ 0.5 Lakh as at March 31, 2026 and March 31, 2025

		As at	
		March 31, 2026	March 31, 2025
6	**Loans**		
	Unsecured, considered good		
	Loan to Subsidiary (Refer note 40 & 46)	639	409
	Less: Allowance for Expected credit loss on loans	(15)	(10)
		624	**399**
7	**Other financial assets**		
	Fixed deposits with Bank (maturity more than 12 months) (Refer Note below)	675	514
	Security deposits - Others	67	78
	Less: Allowance for Expected credit loss on deposits	(3)	(4)
		739	**588**

A. The credit worthiness of banks and financial institutions is evaluated by management on an ongoing basis and considered to be good.

B. Includes ₹ 9 Lakhs (March 31, 2025: ₹15 Lakhs) held as lien by bank against bank guarantee/ deposits.

		As at	
		March 31, 2026	March 31, 2025
8	**Income tax assets (Net)**		
	Advance Income Tax (Net of Provision for Taxation)	151	151
		151	**151**
9	**Other non-current assets**		
	Unsecured, considered good		
	Capital advances		
	- Considered Good *	47	0
	- Considered doubtful	-	1
	Less: Allowance for expected credit loss on advances	-	(1)
		47	**0**
	Prepaid expenses	58	20
		105	**20**

* Represents Amounts Less than ₹ 0.5 Lakh as at March 31, 2025

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

	As at	
	March 31, 2026	**March 31, 2025**
10 Inventories		
Raw materials and components:		
Polyvinyl Alcohol	162	150
Coatings & additives	807	909
Substrates	372	243
Others	52	51
Total	**1,393**	**1,353**
Work in progress:		
Water Soluble Films	30	42
Anti Counterfeit products	268	316
Finished goods:		
Water Soluble Films	143	49
Anti Counterfeit products	16	68
Stock in trade		
Other (Including PVA)	234	65
Stores and spares	141	85
	2,224	**1,978**

	As at	
	March 31, 2026	**March 31, 2025**
11 Trade Receivables		
Unsecured		
Dues from subsidiaries, considered good (refer note 40)	39	90
Dues from other trade receivables considered good	3,058	2,278
Dues from other trade receivables considered doubtful	57	78
Less: Allowance for doubtful debts	(57)	(78)
	3,097	**2,368**

Note: Trade receivable are receivable in normal operating cycle and are shown net of an allowance for bad or doubtful debts

No trade receivables are due from directors or other officers of the Company or any of them either severally or jointly with any other person. Nor any trade or other receivables are due from firms including limited liability partnerships (LLPs) or private companies respectively in which any director is a partner or a director or a member.

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

Trade Receivable Ageing

As at March 31, 2026	Not due	Less than 6 Months	6 months-1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivable - Considered Good	-	3,097	-	-	-	-	3,097
(ii) Undisputed Trade Receivable - Considered Doubtful		12	0	1	-	44	57
(iii) Disputed Trade Receivable - Considered Good	-	-	-	-	-	-	-
(iv) Disptuted Trade Receivable - Considered Doubtful	-	-	-	-	-	-	-
Total(A)	**-**	**3,109**	**0**	**1**	**-**	**44**	**3,154**
Allowance for expected credit Loss	-	12	0	1	-	44	57
Total (B)	**-**	**12**	**0**	**1**	**-**	**44**	**57**
Total (A)-(B)	**-**	**3,097**	**-**	**-**	**-**	**-**	**3,097**

Trade Receivable Ageing

As at March 31, 2025	Not due	Less than 6 Months	6 months-1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivable - Considered Good	-	2,297	71	-	-	-	2,368
(ii) Undisputed Trade Receivable - Considered Doubtful	-	15	0	-	5	58	78
(iii) Disputed Trade Receivable - Considered Good	-	-	-	-	-	-	-
(iv) Disptuted Trade Receivable - Considered Doubtful	-	-	-	-	-	-	-
Total(A)	**-**	**2,312**	**71**	**-**	**5**	**58**	**2,446**
Allowance for expected credit Loss	-	15	0	-	5	58	78
Total (B)	**-**	**15**	**0**	**-**	**5**	**58**	**78**
Total (A)-(B)	**-**	**2,297**	**71**	**-**	**-**	**-**	**2,368**

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

	As at	
	March 31, 2026	**March 31, 2025**
12 Cash and cash equivalents		
Balance with bank:		
On current accounts	106	553
Deposits with original maturity of less than 3 months	-	2
Cash on hand*	0	0
	106	**555**
The credit worthiness of banks and financial institutions is evaluated by management on an ongoing basis and is considered to be good.		
* Represents Amounts Less than ₹ 0.5 Lakh as at March 31, 2026 & March 31, 2025		
13 Bank balances other than cash and cash equivalents		
Unclaimed Dividend Account	6	9
Employer Gratuity Account	3	3
Deposits with maturity of more than 3 months but less than 12 months **	2,592	2,849
	2,601	**2,861**
**Held as lien by bank against bank guarantee of Mar 31, 2026 ₹ 1,718 Lakhs, Mar 31, 2025 ₹ 439 Lakhs.		
The credit worthiness of banks and financial institutions is evaluated by management on an ongoing basis and is considered to be good.		
14 Loans		
Unsecured, considered good		
Loan to Employees (Repayable on demand)	9	17
Less: Allowance for expected credit loss on loans to employees	(1)	(1)
	8	**16**
15 Other financial assets		
Unsecured, considered good		
Interest accrued on deposits with bank	24	25
Export benefit receivable	9	9
	33	**34**
16 Other current assets		
Unsecured, considered good unless stated otherwise		
Advance to suppliers	93	55
Prepaid expenses	53	46
Advance to employees	7	6
Balance with Government authorities	230	228
	383	**335**

No advances are due from directors or other officers of the Company or any of them either severally or jointly with any other person.

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

17 Share capital

a) Equity share capital

	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
Authorised share capital				
Equity shares of ₹ 10 each	1,75,00,000	1,750	1,75,00,000	1,750
Issued, Subscribed and Paid Up :				
Equity shares of ₹ 10 each fully paid	1,50,87,938	1,509	1,50,87,938	1,509
	1,50,87,938	**1,509**	**1,50,87,938**	**1,509**

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

	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	15,087,938	1,509	15,087,938	1,509
Add:Equity Shares issued during the year	-	-	-	-
Outstanding at the end of the year	**15,087,938**	**1,509**	**15,087,938**	**1,509**

c) Terms /Rights attached to Equity shares

The Company has only one class of equity shares having par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) Details of shares held by each shareholder holding more than 5% equity shares

Name of Shareholders	As at March 31, 2026		As at March 31, 2025	
	Number of shares	% of Holding	Number of shares	% of Holding
Arrow Business Advisory Private Limited	9,96,014	6.60%	9,96,014	6.60%
Jigisha S. Patel	16,97,205	11.25%	16,97,205	11.25%
Shilpan P. Patel	52,39,557	34.73%	52,39,557	34.73%
Shilpan Patel (HUF)	10,29,180	6.82%	10,29,180	6.82%
	89,61,956	**59.40%**	**89,61,956**	**59.40%**

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

e) Details of shares held by promoters as at March 31, 2026

Name of Promoters	Number of shares	% of Holding	% change during the year
Arrow Business Advisory Private Limited	996,014	6.60%	-
Jigisha S. Patel	16,97,205	11.25%	
Shilpan P. Patel	52,39,557	34.73%	
Shilpan Patel (HUF)	10,29,180	6.82%	-
Neil Patel	4,10,272	2.72%	
Rishil Patel	3,99,960	2.65%	0.02
Manisha Sindhi	10,000	0.07%	-
	97,82,188	**64.83%**	**0.02**

As per the records of the Company, including its register of members.

		As at	
		March 31, 2026	**March 31, 2025**
18	**Other Equity**		
	General Reserve 18 (i)	2	2
	Capital Reserve 18 (ii)	82	82
	Securities Premium Reserve 18 (iii)	1,882	1,882
	Retained Earnings 18 (iv)	18,647	14,995
		20,614	**16,961**
	(i) **Reserves and surplus**		
	General reserve		
	Balance at the beginning of the year	2	2
	Movement during the year	-	-
	Balance as at the year end	2	2
	(ii) **Capital reserve**		
	Balance at the beginning of the year	82	82
	Movement during the year	-	-
	Balance as at the year end	82	82
	(iii) **Securities premium reserve**		
	Balance at the beginning of the year	1,882	1,882
	Movement during the year	-	-
	Balance as at the year end	1,882	1,882
	(iv) **Retained earnings**		
	Balance at the beginning of the year	14,995	9,111
	Add : Profit for the year	4,249	6,190
	Less : Dividend paid	(604)	(302)
	Less : Remeasurement of defined benefit obligation net of taxation	7	(6)
	Balance as at the year end	18,647	14,995
		20,614	**16,961**

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

	As at	
	March 31, 2026	**March 31, 2025**
Dividend on equity shares paid during the year		
Dividend paid during the year		
Final dividend for the FY 2024-25 [₹ 4/- (Previous year F.Y.23-24 ₹ 2) per equity share of face value of ₹ 10 each]	604	302

The Board of Directors at its meeting held on May 22, 2026 have recommended a payment of final dividend of ₹ 5 per equity share of face value of ₹ 10 each for the financial year ended March 31, 2026 resulting in a dividend payout of ₹ 754 lakhs.The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

Note

Nature of reserves

a) General Reserve

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to the Statement of Profit and Loss.

b) Capital Reserve

The Capital reserve is created on account of forfeiture of share application money.

c) Securities Premium

Securities premium account comprises of premium on issue of shares. The reserve is utilised in accordance with the specific provision of the Companies Act, 2013.

d) Retained Earnings

Retained earnings represents surplus/accumulated earnings of the Company and are available for distibution to shareholders.

		As at	
		March 31, 2026	**March 31, 2025**
19	**Provisions**		
	Provision for employee benefits		
	Leave encashment (unfunded) (Refer note 39)	65	46
		65	**46**

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

	As at	
	March 31, 2026	March 31, 2025
20 Trade Payables		
Total outstanding dues of micro enterprises and small enterprises (Refer Note 38)	262	212
Total outstanding dues to others	141	353
	403	**565**

Trade Payable Ageing (including capital payables)

As at March 31, 2026	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME					
- Disputed	-	-	-	-	-
- Undisputed	262	-	-	-	262
(ii) Others					
- Disputed	-	-	-	-	-
- Undisputed	128	2	15	213	358
Total	**390**	**2**	**15**	**213**	**620**

	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
As at March 31, 2025					
(i) MSME					
- Disputed	-	-	-	-	-
- Undisputed	212	-	-	-	212
(ii) Others					
- Disputed	-	-	-	-	-
- Undisputed	362	42	7	178	589
Total	**574**	**42**	**7**	**178**	**801**

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

	As at	
	March 31, 2026	**March 31, 2025**
21 Other financial liabilities		
Unclaimed Dividend *	6	9
Employee Benefits Payable	75	78
Outstanding liability for expenses	124	137
Trade payable for capital goods (other than small and medium enterprises) (Refer note no. 20)		
- Dues to subsidiary (refer note 40)	76	67
- Dues to others	141	169
	422	**460**
* There are no unpaid dividend which is required to be transferred to the Investors Education Protection Fund.		
22 Provisions		
Provision for employee benefits		
- Gratuity (funded) (Refer Note 39)	37	41
- Leave encashment (unfunded) (Refer Note 39)	7	6
	44	**47**
23 Other current liabilities		
Statutory Dues Payable	171	46
Advances from customers	12	13
	183	**59**

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

	Year ended	
	March 31, 2026	**March 31, 2025**
24 Revenue from Operations		
Sale of products (net of sales return)		
Finished goods	15,051	19,226
Traded goods	459	743
Services rendered		
Royalty Income - Patent (Refer Note 40)	151	137
Other Operating Revenue		
Sale of scrap	14	15
Revenue from Operations	**15,675**	**20,121**
Detail of Sale of Products / Services		
Finished goods sold		
Water Soluble Films	3,230	2,136
Other Business	11,821	17,090
	15,051	**19,226**
Traded goods sold		
Cleaning Products	10	12
Other Business	449	731
	459	**743**
Detail - Geography wise Operations		
Export Sales	1,645	668
Local Sales	14,030	19,453
	15,675	**20,121**

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

		Year ended	
		March 31, 2026	**March 31, 2025**
25	**Other Income**		
	Dividend Income	0	0
	Interest Income received on Financial Assets - Carried at amortised cost		
	On Fixed Deposit with Bank	240	190
	On Loans and Deposits (Refer Note 40)	48	23
	On Others	33	2
	Foreign Exchange Gain (net)	7	6
	Net Gain on Sale of Investments in Mutual Fund	206	109
	Miscellaneous Income	31	14
	Net Gain on Fair valuation of Current Investments	225	131
	Service Fee (Refer Note 40)	4	4
		795	**481**
	* Represents amount less than ₹ 0.5 Lakh for the Year Ended March 31, 2026 and March 31, 2025.		
26	**Cost of Material Consumed**		
	Inventory at the beginning of the year	1,353	989
	Add: Purchases	6,151	7,619
	Less: Inventory at the end of the year	1,393	1,353
		6,111	**7,255**
27	**Change in inventory of finished goods, work-in-progress & stock in trade**		
	Inventories at the end of the year		
	Stock In Trade	234	65
	Work-in-progress	298	358
	Finished goods	159	117
	Inventories at the beginning of the year		
	Stock In Trade*	65	0
	Work-in-progress	358	806
	Finished goods	117	265
		(151)	**531**

*Represents amount Less than ₹ 0.5 Lakh for the Year Ended March 31, 2025.

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

		Year ended	
		March 31, 2026	March 31, 2025
28	**Employees Benefits Expenses**		
	Salary, Wages and Bonus	1,260	1,142
	Contribution to Provident and other funds (Refer note 39)	29	27
	Gratuity and Leave Encashment (Refer note 39)	41	22
	Staff welfare expenses	43	43
		1,373	**1,234**
29	**Finance Cost**		
	Interest on Secured Loan	-	1
	Processing and Other Charges	8	6
	Interest on Lease (Refer note 3B)*	19	0
	Others	4	5
		31	**12**
	*Represents amount Less than ₹ 0.5 Lakh for the Year Ended March 31, 2025		
30	**Other Expenses**		
	Consumption of stores and spares	122	152
	Repair and Maintenance - Building	-	31
	Repair and Maintenance - Machinery	46	21
	Repair and Maintenance - Other	5	5
	Rent (refer note 36)	25	57
	Insurance	39	34
	Power and Fuel	579	515
	Labour Charges	108	83
	Factory Expenses	124	91
	Selling and Promotion Expenses	34	33
	Freight and Forwarding	100	110
	Postage and Telephone Expenses	17	12
	Printing and Stationery	6	5
	Travelling and Conveyance	166	205
	Legal and Professional Charges	428	350
	Sitting Fees	9	9
	Patent Charges	59	48
	Donations	1	10
	Provision For Doubtful debts and Advances	(16)	9
	Payment to Auditors (Exclusive of Goods and Services tax) (refer note no 31)	21	21
	Corporate Social Responsibility Expense (refer note no 32)	110	57
	Bank Charges	25	26
	Commission on Sales	99	34
	Bad Debts	24	-
	Miscellaneous Expenses	104	137
		2,236	**2,055**

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

	Year ended	
	March 31, 2026	**March 31, 2025**
31 Payment to Auditors (Exclusive of Goods and Services tax)		
As auditor		
Auditors Remuneration	12	12
Tax audit fees	2	2
Limited review fees	6	6
Other Capacity		
Other services (Certification fees)	1	1
	21	**21**
32 Corporate Social Responsibility Expense		
1. Amount required to be spent by the company during the year (including shortfall for earlier years)	107	51
2. Amount of expenditure incurred on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	110	57
3. Shortfall at the end of the year	-	-
4. Total of previous years shortfall	-	-
5. Reason for shortfall	N.A.	N.A.
6. Nature of CSR activities	Donation given to charitable trusts, hospital & payment for computers to schools	Donation given to charitable trusts &payment for water coolers & TV to schools
7. Details of related party transactions in relation to CSR expenditure	-	-
33 Income taxes		
(a) Income tax expense is as follows:		
Statement of Profit and Loss		
Current tax:		
Tax for the year	1,480	2,084
Adjustments for current tax of prior periods	56	12
Total current tax expense	**1,536**	**2,096**
Deferred tax:		
Deferred tax expenses	(0)	3
Total deferred tax expense	**(0)**	**3**
Income tax expense	**1,536**	**2,099**
Other comprehensive income		
Deferred tax related to OCI items:		
Net loss/(gain) on remeasurements of defined benefit plans	3	(2)
	3	**(2)**

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

b. Reconciliation of effective tax rate

A reconciliation of income tax expense as included in the statement of profit and loss to the amount computed by applying the weighted average enacted income tax rate to income before income taxes is summarized below:

	Year ended			
	March 31, 2026		March 31, 2025	
Profit before tax		5,785		8,289
Tax at the Indian tax rate	25.17%	1,456	25.17%	2,086
Tax effects on amounts which are not deductible (taxable) in calculating taxable income				
Tax effect of:				
Tax adjustment for earlier years	0.97%	56	0.1%	12
Non-deductible expenses	0.48%	28	0.20%	17
Others	-0.07%	(4)	-0.19%	(16)
	26.55%	1,536	25.33%	2,099

c. Deferred Tax Assets (net)

(i) Movement in deferred tax Assets for the year ended March 31, 2026

	Net balance March 31, 2025	Recognised through Profit and Loss	Recognised through OCI	Net balance March 31, 2026
Property, plant and equipment and ROU assets net of lease liabilities	178	51	-	229
Fair valuation of investments in mutual fund	(34)	(56)	-	(90)
Provision for doubtful debts and Advances and disallowances under Section 43B of the Income tax Act, 1961	46	5	(3)	48
Others	4	1	-	5
Total	**194**	**0**	**(3)**	**191**

*Represents amount Less than ₹ 0.5 Lakh for the Year Ended March 31, 2026.

(ii) Movement in deferred tax Assets for the year ended March 31, 2025

	Net balance March 31, 2024	Recognised through Profit and Loss	Recognised through OCI	Net balance March 31, 2025
Property, plant and equipment and ROU assets net of lease liabilities	143	35	-	178
Fair valuation of investments in mutual fund	(1)	(33)	-	(34)
provision for doubtful debts and Advances and disallowances under Section 43B of the Income tax Act, 1961	51	(7)	2	46
Others	2	2	-	4
Total	**195**	**(3)**	**2**	**194**

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

	Year ended	
	March 31, 2026	**March 31, 2025**
34 Earnings Per Share		
Calculation of basic and diluted Earnings per share is as follows:		
Profit for the year	4,249	6,190
Weighted average number of equity shares		
- Basic	1,50,87,938	1,50,87,938
- Diluted	1,50,87,938	1,50,87,938
Earnings per share (in ₹) (face value - ₹ 10 each)		
- Basic	28.16	41.03
- Diluted	28.16	41.03

	As at	
	March 31, 2026	**March 31, 2025**
35 Contingent liabilities and Commitments		
Contingent Liabilities		
(a) Income tax matters not acknowledged as debt (amount paid under protest ₹ 60 Lakhs (Previous year: ₹ 57 Lakhs))	758	518
(b) Bank Guarantees & LC given	3,223	2,674
	3,980	**3,192**

	Year ended	
	March 31, 2026	**March 31, 2025**
36 Leases		
Lease rent expenses	25	57

37 In accordance with IND AS 108 "Operating Segments", segment information has been given in the consolidated financial statements of the Company, and therefore, no separate disclosures on segment information is given in these financial statements.

38 Micro, Small and Medium Enterprises

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

	Year ended	
	March 31, 2026	**March 31, 2025**
The amount remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	262	210
- Interest	-	2
Amount of interest paid by the Company in terms of Section 16 of the MSMED, along with the amount of payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the delay in making payment (which have been paid but beyond the appointed day during the year) but without adding interest specified under MSMED.	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	2
The 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, 2006	-	-

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

39 Employee benefit obligations

i) Defined Contribution Plans

Provident Fund: Contribution towards provident fund for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Contribution to Defined Contribution Plans, recognized as expense for the year as under:

	Year ended	
	March 31, 2026	**March 31, 2025**
Employer's Contribution to Provident Fund	27	25
Employer's Contribution to Employees State Insurance Corporation	1	1

ii) Defined Benefits Plans

Gratuity: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The fair value of the plan assets of the trust administered by the Company, is deducted from the gross obligation.

The following table sets forth the status of the gratuity plan of the Company, and the amounts recognized in the Balance sheet and Statement of Profit and Loss.

Funding :

The Company makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the LIC, a funded defined benefit plan for qualifying employees

Reconciliation of the net defined benefit obligation:

	Year ended	
	March 31, 2026	**March 31, 2025**
Opening defined benefit obligation	152	128
Benefits paid	(4)	(4)
Current service cost	17	12
Interest cost	10	9
Actuarial losses / (gain) recognized in other comprehensive income		
changes in demographic assumptions		
changes in financial assumptions	(8)	5
experience adjustments	(2)	2
Closing defined benefit obligation	**165**	**152**

Reconciliation of the fair value of plan assets:

	Year ended	
	March 31, 2026	**March 31, 2025**
Opening fair value of plan assets	111	95
Interest Income	8	7
Employer contributions	14	14
Benefits paid	(4)	(4)
Actuarial gains on Plan Assets	(0)	(1)
Closing fair value of plan assets	**129**	**111**

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

Balance sheet reconciliation

	As at	
	March 31, 2026	**March 31, 2025**
Opening defined benefit obligation	152	128
Opening fair value of plan assets	(111)	(95)
Expenses recognised in profit and loss	20	14
Expenses recognised in Other Comprehensive Income	(10)	8
Employer contributions	(14)	(14)
Net (Asset) / Liability recognised in the Balance Sheet	**36**	**41**

Expenses recognised in Statement of Profit and Loss:

	Year ended	
	March 31, 2026	**March 31, 2025**
Current service cost	17	12
Interest cost	3	2
	20	**14**

Remeasurements recognised in other comprehensive income

	Year ended	
	March 31, 2026	**March 31, 2025**
Acturial (gain)/loss on defined benefit obligation	(10)	7
Return on plan assets excluding interest income	0	1
	(10)	**8**

Analysis of plan assets

	As at	
	March 31, 2026	**March 31, 2025**
Insurer managed funds (%)	100%	100%
Others (%)	0%	0%
	100%	**100%**

Maturity profile of defined benefit obligation

	As at	
	March 31, 2026	**March 31, 2025**
1 Year	10	7
2 to 5 years	75	66
6 to 10 years	42	42
More than 10 years	246	218

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

Actuarial assumption

Principal actuarial assumption used to determine net periodic benefit cost and benefit obligation at the reporting dates;

	As at	
	March 31, 2026	**March 31, 2025**
Discount Rate (p.a.)	7.40%	6.83%
Salary escalation rate (p.a.)	8.00%	8.00%
Expected rate of return on assets	7.40%	6.83%
Attrition rate	Service < 5 - 10% Service >=5 - 3%	Service < 5 - 10% Service >=5 - 3%
Mortality rate during employment	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Mortality rate after employment	NA	NA

Notes :

Salary escalation rate: The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Discount rate: The discount rate is based on the prevailing market yields of Indian government securities for the estimated term of the obligations.

Assumptions regarding future mortality experience are set in accordance with the statistics published by the Life Insurance Corporation of India.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amounts shown below:

	Year ended	
	March 31, 2026	**March 31, 2025**
Projected Benefit Obligation on Current Assumptions	165	152
Discount Rate: 1% increase	(13)	(12)
Discount Rate: 1% decrease	15	15
Future salary growth: 1% increase	11	11
Future salary growth: 1% decrease	(10)	(10)
Change in Rate of Employee Turnover : 1% Increase	0	(0)
Change in Rate of Employee Turnover : 1% Decrease	(0)	0

iii) Compensated absences

The Company accrues for the compensated absences, a long term employee benefit plan based on the entire available leave balance standing to the credit of the employees at year end. The value of such leave balance eligible for carry forward, is determined by actuarial valuation as at the Balance sheet date and is charged to Statement of profit and loss in the period determined. The provision as at balance sheet dates are as follows:

	As at	
	March 31, 2026	**March 31, 2025**
Compensated absences liability	72	52

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

Auctuarial assumption

	As at	
	March 31, 2026	**March 31, 2025**
Discount rate	7.40%	6.83%
Long-term rate of compensation increase	8.00%	8.00%

Expenses recognised in Statement of Profit and Loss towards compensated absences are ₹ 21 Lakhs (PY ₹ 8 Lakhs).

40 Related party disclosures

a) Related parties and their relationship

Name of Related Party	Relationship
Arrow Green Technologies (UK) Limited Arrow Secure Technology Private Limited Avery Pharmaceuticals Private Limited LQ Arrow Security Products (India) Private Limited	Subsidiary Company
Advance IP Technologies Limited Advance Secure Products B.V.	Step Down Subsidiary Company
SP Arrow Bio Polymer Products Private Limited	Associate Company
Mr. Shilpan P. Patel - Managing Director Mr. Neil Patel - Joint Managing Director Mr. Hitesh Punglia - Chief Financial Officer Mrs. Poonam Bansal - Company Secretary	Key Management Personnel (KMP)
Mrs. Jigisha S. Patel	Non Executive Non Independent Woman Director
Mr. Yogesh Harivadan Gajjar (effective from 08/02/2025) Mr. Prashant Sushilchandra Mehta Mr.Haresh Chhotalal Mehta (till 31/03/2025) Mrs. Barkharani Harsh Nevatia	Independent Director
Mrs. Manisha Sindhi	Relative of key management personnel
Advance Business Solutions Grace Paper Industries Private Limited Arrow Business Advisory Private Limited	Enterprises over which Key Management Personnel are able to exercise signficant influence

a. The transaction with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and settlement occurs in cash.

b. Managerial remuneration does not includes amount in respect of gratuity and leave encashment as the same is not determinable.

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

b) Transaction with Related Parties & Outstanding Balance as on March 31, 2026 and March 31, 2025 :

	Transactions for the year ended		Balances receivable/ (payable) as at	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Arrow Green Technologies (UK) Limited				
Royalty Income - Patent	91	82	24	62
Advance IP Technologies Limited				
Royalty Income - Patent	60	55	16	28
Purchase of Machinery	-	-	(76)	(67)
Avery Pharmaceuticals Private Limited				
Loans given	240	362	639	409
Interest on Loan given	48	23	-	-
Sale of Services	4	4	-	-
Rent of Machinery	1	-	-	-
Product Development Fees	200	50	-	-
Mr. Shilpan P. Patel				
Rent Expenses	9	17	(1)	(7)
Arrow Business Advisory Private Limited				
Rent Expenses	45	16	-	-
Grace Paper Industries Private Limited				
Rent Expenses	32	8	(3)	(7)
Advance Business Solutions				
Purchase of Raw Material	4,169	5,402	34	-
Investment in subsidiaries				
Arrow Green Technologies (UK) Limited	-	-	16	16
Avery Pharmaceuticals Private Limited	-	-	3,639	3,639
LQ Arrow Security Products (India) Private Limited	-	-	38	38
Director Sitting Fees				
Mr. Haresh Mehta	-	3	-	-
Mrs. Jigisha Patel	1	2	-	-
Mr. Prashant Sushilchandra Mehta	3	3	-	-
Mrs. Barkharani Harsh Nevatia	2	2	-	-
Mr. Yogesh Harivadan Gajjar	3	-	-	-
Remuneration to Key Managerial Personnel & Relatives				
Mr. Shilpan P. Patel - Managing Director	108	108	-	-
Mr. Neil Patel - Joint Managing Director	108	108	-	-
Mr. Hitesh Punglia - Chief Financial Officer	107	91	-	-
Mrs. Poonam Bansal - Company Secretary	19	17	-	-

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

41 Financial Instruments - Accounting Classifications and Fair Value Measurements

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced of liquidation sale.

The following methods and assumptions were used to estimate the fair values:

Fair value of cash and cash equivalent, bank balances other than cash and cash equivalent, trade receivables, trade payables, other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

"The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data. "

A As at March 31, 2026	Carrying value				Fair value		
	Amortised Cost	FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3
Financial assets:							
Non Current Financial Assets							
Loans	624	-	-	624	-	-	-
Investment in subsidiaries and associates	3,693	-	-	3,693	-	-	-
Other financial asset	739	-	-	739	-	-	-
Current Financial assets							
Trade Receivables	3,097	-	-	3,097	-	-	-
Investments	-	7,621	-	7,621	7,621	-	-
Cash and cash equivalents	106	-	-	106	-	-	-
Bank balances other than Cash and cash equivalents	2,601	-	-	2,601	-	-	-
Loans	8	-	-	8	-	-	-
Other financial assets	33	-	-	33	-	-	-
	10,901	**7,621**	**-**	**18,521**	**7,621**	**-**	**-**
Non Current Financial liabilities							
Lease Liabilities	123	-	-	123	-	-	-
Current Financial liabilities							
Trade payables	403	-	-	403	-	-	-
Other financial liabilities	422	-	-	422	-	-	-
Lease Liabilities	55	-	-	55	-	-	-
Total	**1,003**	**-**	**-**	**1,003**	**-**	**-**	**-**

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

B As at March 31, 2025	Carrying value				Fair value		
	Amortised Cost	FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3
Financial assets:							
Non Current Financial Assets							
Loans	399	-	-	399	-	-	-
Investment in subsidiaries and associates	3,693	-	-	3,693	-	-	-
Other financial asset	588	-	-	588	-	-	-
Current Financial Assets							
Trade Receivables	2,368	-	-	2,368	-	-	-
Investments	-	4,515	-	4,515	4,515	-	-
Cash and cash equivalents	555	-	-	555	-	-	-
Bank balances other than Cash and cash equivalents	2,861	-	-	2,861	-	-	-
Loans	16	-	-	16	-	-	-
Other financial assets	34	-	-	34	-	-	-
Total	**10,514**	**4,515**	**-**	**15,029**	**4,515**	**-**	**-**
Non Current Financial liabilities							
Lease Liabilities	-	-	-	-	-	-	-
Current Financial liabilities							
Trade payables	565	-	-	565	-	-	-
Other financial liabilities	460	-	-	460	-	-	-
Lease Liabilities	-	-	-	-	-	-	-
Total	**1,025**	**-**	**-**	**1,025**	**-**	**-**	**-**

During the reporting period ended March 31, 2026 and March 31, 2025, there was no transfer between level 2 and level 3 fair value measurements.

42 Financial risk management

The Group has exposure to the following risks arising from financial instruments:
- Credit risk;
- Liquidity risk; and
- Market risk

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Company, through its training, standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

i) Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk that company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business,
ii) Actual or expected significant changes in the operating results of the counterparty,
iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
iv) Significant increases in credit risk on other financial instruments of the same counterparty,

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. Credit terms are in line with industry trends.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows

	As at	
	March 31, 2026	**March 31, 2025**
Less than 180 days	3,109	2,312
From 181 - 365 days	0	71
More than 365 days	45	64
Total	**3,154**	**2,446**
Less: Provision for Doubtful Debts - opening balance	78	77
Add: Additional/(Reversal) of provision for doubtful debts	(21)	1
Total	**3,097**	**2,368**

Expected credit loss assessment for customers as at March 31, 2025 and March 31, 2026

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows

	Amount
Balance as at April 1, 2024	**77**
Impairment loss recognised	-
Amounts written off / (written back)	1
Balance as at March 31, 2025	**78**
Impairment loss recognised	-
Amounts written off / (written back)	(21)
Balance as at March 31, 2026	**57**

Cash and bank balance

The Company held cash and bank balance with credit worthy banks and financial institutions of ₹ 3,382 lakhs and ₹ 3,930 lakhs as at March 31, 2026 and March 31, 2025, respectively.The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

ii) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecast on the basis of expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

	As at March 31, 2026			As at March 31, 2025		
	Carrying amount	Less than 1 year	1 to 4 years	Carrying amount	Less than 1 year	1 to 4 years
Non derivative						
Trade payables	403	403	-	565	565	13
Lease Liabilities	177	55	123	-	-	-
Other financial liabilities	422	422	-	460	460	-
Bank Guarantee & LC given	-	292	2,931	-	526	2,148

iii) Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruemtns. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables and payables.

The Company manages market risk through a treasury department, which evaluates and excercises independent control over the entire process of market risk management. The treasuy department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this deparment include management of cash resources, implementing hedging strategies for foreign currency exposures and ensuring compliance with market risk limits and policies.

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

a) Foreign currency risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk. The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

Foreign currency exposure	US$	EUR	GBP	CHF	Total
As at March 31, 2026					
Financial assets					
Trade receivables	404	27	39	-	470
Net exposure to foreign currency risk (assets)	**404**	**27**	**39**	**-**	**470**
Financial Liabilities					
Trade payables	28	2	6	7	43
Trade payables for capital Goods	-	15	201	0	216
Net exposure to foreign currency risk (liabilities)	**28**	**17**	**207**	**7**	**259**
Rupee Conversion Rate	**94.65**	**109.01**	**125.63**	**117.91**	**-**
As at March 31, 2025					
Financial assets					
Trade receivables	-	23	90	-	113
Net exposure to foreign currency risk (assets)	**-**	**23**	**90**	**-**	**113**
Financial Liabilities					
Trade payables	198	9	11	6	223
Trade payables for capital Goods	-	41	177	-	218
Net exposure to foreign currency risk (liabilities)	**198**	**50**	**188**	**6**	**441**
Rupee Conversion Rate	**85.58**	**92.32**	**110.74**	**97.04**	**-**

Foreign currency sensitivity

The table below demonstrates sensitivity impact on profit after tax and total equity due to change in foreign exchange rates of currencies where it has significant exposure:

Foreign currency	March 31, 2026		March 31, 2025	
	1% Increase	1% Decrease	1% Increase	1% Decrease
USD	3.77	(3.77)	(1.98)	1.98
EUR	0.10	(0.10)	(0.28)	0.28
GBP	(1.67)	1.67	(0.98)	0.98
Increase / (decrease) in profit and loss	**2.19**	**(2.19)**	**(3.23)**	**3.23**

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates.

The Company does not have any long term borrowings at March 31, 2026 and March 31, 2025. Therefore interest rate risk as defined in Ind AS 107 is not applicable to the Company.

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

	As at	
	March 31, 2026	March 31, 2025
Variable rate borrowings	-	-
Fixed rate borrowings	-	-
Total borrowings	**-**	**-**

43 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to safeguard the Company's ability to remain as a going concern and maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans, long term and other strategic plans and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust its dividend payment ratio to shareholders, return capital to shareholders or issue fresh shares. The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity including share premium and all other equity reserves attributable to the equity share holders.

The Company's adjusted net debt to equity ratio are as follows.

Particulars	March 31, 2026	March 31, 2025
Borrowings		
Long term and Short term borrowings	-	-
Current maturities of Long term borrowings	-	-
Less: Cash and cash equivalents	(106)	(555)
Adjusted net debt	**(106)**	**(555)**
Total Equity	**22,123**	**18,470**
Adjusted net debt to equity ratio	**(0.00)**	**(0.03)**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital of the Company during the current and previous year.

44 In compliance with Ind AS 27 "Separate Financial Statements" the required information is as under

Subsidiaries	Principal place of business/country of incorporation	Percentage of ownership Interest as on	
		March 31, 2026	March 31, 2025
		%	%
Arrow Green Technologies (UK) Limited	United Kingdom	100.00	100.00
Advance IP Technologies Limited	United Kingdom	95.00	95.00
Advance Secure Products BV	The Netherlands	100.00	100.00
Arrow Secure Technology Private Limited	India	100.00	100.00
Avery Pharmaceuticals Private Limited	India	99.65	99.65
LQ Arrow Security Products (India) Private Limited	India	51.00	51.00

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

Associates	Principal place of business/country of incorporation	Percentage of ownership Interest as on March 31, 2026 %	Percentage of ownership Interest as on March 31, 2025 %
SP Arrow Bio Polymer Products Private Limited	India	46	46

45 Statement of Preferential issue proceeds

The Company had issued and allotted, on preferential basis 10,00,000 equity shares of face value of ₹10 each at a price of ₹108 (including securities premium of ₹ 98 per equity share) to promoter and non-promoter group on November 30, 2022. The object of this preferential issue is to utilize the proceeds to meet working capital requirement and expansion of business, general corporate purpose and such other purpose as the Board may decide from time to time. Utilisation of these proceeds is summarised as follows:-

Particulars	Amount (₹ in Lakhs)
Total Fund raised from Issue of Preferential Equity Shares	1,080
Less : Utilised for Working Capital	480
Less : Purchase of Industrial Land at Gujrat Industrial Development Corporation Dahej	464
Less: Purchase of Machinery and assets	136
Unutilised as on March 31, 2025	**-**

46 Loans

A Loans and advances in the nature of loans to subsidiaries and associates (pursuant to Clause 32 of the Listing Agreement with Stock Exchanges):

(₹ in Lakhs)

Name of the Company	Relationship	Balance March 31, 2026	Balance March 31, 2025	Maximum Balance 2025-2026	Maximum Balance 2024-2025
Avery Pharmaceuticals Private Limited	Direct Subsidiary	639	409	639	422

Loan to Avery Pharmaceuticals Private Limited	639
Allowance for doubtful Loans	(15)
Loan to Avery Pharmaceuticals Pvt. Limited (Net of Provision)	**624**

Notes:

i) The Interest rate for Loan is 9.80% p.a. (Previous Year 9.80% p.a).

ii) There are no other loans and advances in the nature of loans where there is no repayment schedule.

iii) Above figures are including accrued interest.

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

B DISCLOSURE AS PER SECTION 186 OF THE COMPANIES ACT, 2013

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

(i) Details of Investments made are given in Note 5 and 5A

(ii) Details of loans given by the Company are as follows:

Name of the Company	As At March 31, 2026	As At March 31, 2025	Maximum balance outstanding during the year	Purpose / utilisation by the borrower	Terms and conditions
Avery Pharmaceuticals Private Limited	639	409	639	To Set up Pharmaceutical factory to manufacture Mouth Dissolving Strips & working capital requirement	Loan is repayable on demand and the interest rate is 9.80% p.a. (Previous Year 9.80% p.a)

Note:

a) The above figures are including accrued interest.

b) Loans given to employees as per the Company's policy are not considered for the purposes of disclosure under Section 186 (4) of the Act.

c) There are no guarantees issued by the Company in accordance with section 186 of the Companies Act, 2013 read with rules issued thereunder.

47 Financial Ratio

Ratio / Measure	Methodology	March 31, 2026	March 31,2025	% Change
(a) Current ratio [1]	Current assets over current liabilities	14.52	11.19	29.8%
(b) Return on Equity ratio [2]	PAT over total average equity	20.94%	39.86%	-47%
(c) Inventory turnover ratio [3]	Cost of Goods Sold over average inventory	117.69	88.75	32.6%
(d) Trade Receivables turnover ratio [4]	Revenue from operations over average trade receivables	5.74	8.38	-31.5%
(e) Trade payables turnover ratio [5]	Net Purchases over average trade payables	13.85	20.02	-30.8%
(f) Net capital turnover ratio [6]	Revenue from operations over working capital	1.05	1.74	-40.0%
(g) Net profit ratio [6]	Net profit over revenue	27.11%	30.76%	-11.9%
(h) Return on Capital employed [6]	PBIT over capital employed	28.63%	47.45%	-39.7%
(i) Return on investment [7]	Interest income, net gain on sale of investments and fair value gain over average investments	7.11%	10.63%	-33.1%

Explanation for variance:

1 Current ratio: Increase in current ratio is mainly on account of increase in current assets as compared to the preceeding year.

2 Return on Equity ratio: PAT has gone down significantly due to decrease in turnover of the Company, which has resulted in decrease in ratio.

3 Inventory Turnover Ratio: Though the Cost of Goods sold has gone down, the Inventory level is more or less the same as last year. Hence the Inventory turnover ratio has increased. Hence the inventory turnover ratio has increased.

4 Trade Receivable Turnover Ratio: Movement is mainly on account of decreased sales vis-a vis increased average trade Receivables compared to the comparable period.

5 Trade Payable Turnover Ratio: It has gone down as average trade payables has increased but not the Credit Purchases due to decreased sales.

6 Net Capital Turnover Ratio, Net profit ratio & Return on Capital Employed: The Turnover & consequently the profits & returns have gone down in the current year resulting in lower respective ratios.

7 Return on investment: The ratio is comparatively lower mainly on account of decreased income from average investments as compared to the comparable period.

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

48 Additional regulatory information required by Schedule III to the Companies Act, 2013

(i) The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) The Company has not traded or invested in Crypto currency or Virtual Currency during the year.

(iii) The Company has not come across any transaction ocurred with struck-off companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

(iv) The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

(v) The Company does not have any charges or satisfaction of charges which is yet to be registered with the Registrar of the Companies beyond the statutory period.

(vi) Utilization of borrowed funds and share premium :

(I) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

(II) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

(vii) There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.

(viii) The Company has not revalued its Property, Plant and Equipment during the year.

(ix) The Company has not revalued its intangible assets during the year.

(x) The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021. The said proviso requires companies, which uses accounting software for maintaining its books of accounts, to use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of accounts along with the dates when such changes were made and ensuring that the audit trail cannot be disabled.

Further, for the accounting softwares used by the Company during the year ended March 31, 2026, audit trail (edit log) facility was enabled and operated throughout the year there were no instances of the audit trail feature being tampered with.

Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention except for the audit trail of previous year, which has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in previous year.

(xi) The Company uses software applications to maintain its books of accounts and other books and papers in electronic mode ("Electronic records"). During the year, the Company has maintained backups of these electronic records on server physically located in India on daily basis, as required by Companies (Accounts) Rules, 2014 (as amended).

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

49 The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year-end, the Company has reviewed all such contracts and confirmed that no provision is required to be created under any law / accounting standard towards any foreseeable loss.

50 The Government of India has consolidated 29 existing labour legislations into a unified framework comprising four labour codes viz the Code on Wages, 2019, the Code on Social Security, 2020, the Industrial Relations Code, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as the "Labour Codes"). The Labour Codes have been made effective from November 21, 2025. The Ministry of Labour & Employment published Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations.

The Company has evaluated the impact of the Labour Codes on the basis of information currently available. Management has assessed that the incremental impact, if any, of these changes is not material given that the current salary structure of the Company is in line with the requirements of the Labour Codes. The Company continues to monitor the finalisation of State Rules and clarifications from the Government on other aspects of the Labour Codes and would make appropriate adjustments, if needed. The Company does not have Fixed Term Employees.

51 The Board of Directors have recommended a dividend of ₹ 5/- per Equity Share of ₹ 10/- each (50%) for the year ended 31st March,2026, which is subject to approval of shareholder's in ensuing Annual General Meeting.

52 Figures for previous year have been regrouped/rearranged wherever necessary to confirm to current year`s classification.

53 There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

54 The financial statements are approved for issue by the Audit Committee and the Board of Directors on May 22, 2026.

As Per our report of even date

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

For and on behalf of the Board of Directors of
Arrow Greentech Limited
CIN : L21010MH1992PLC069281

Himanshu Goradia
Partner
Membership No: 045668

Shilpan Patel
Managing Director
DIN No : 00341068

Neil Patel
Joint Managing Director
DIN No : 00607101

Place : Mumbai
Date : May 22, 2026

Hitesh Punglia
Chief Financial Officer

Poonam Bansal
Company Secretary

INDEPENDENT AUDITORS' REPORT

To the Members of Arrow Greentech Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Arrow Greentech Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate, comprising of the Consolidated Balance Sheet as at March 31, 2026, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements including a summary of material accounting policy information and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and associate, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, of the consolidated state of affairs of the Group and its associate as at March 31, 2026, their consolidated profit (including other comprehensive income), their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and 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 on the consolidated financial statements.

Key Audit Matters

We have determined that there are no key audit matters to communicate in our report.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Holding Company's Management Discussion and Analysis and Directors' Report, but does not include the consolidated financial statements and our auditors' report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed and the reports of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group including its associate in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and of its associate and for preventing and detecting

frauds and other irregularities; the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group including its associate or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are responsible for overseeing the financial reporting process of the Group and of its associate.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 consolidated 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 consolidated 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 controls.

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company and its subsidiary companies and associate company, which are companies incorporated in India, have adequate internal financial controls with reference to financial statements 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 ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated 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 auditors' report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entity included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

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

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

Other Matters

We did not audit the financial statements of six subsidiaries (including two step down subsidiaries), whose financial statements reflects total assets of Rs. 6,964 Lakhs as at March 31, 2026, total revenues of Rs. 5,044 Lakhs, total net profit after tax of Rs. 635 Lakhs and total net comprehensive income of Rs. 635 Lakhs and net cash inflows amounting to Rs. 1,428 Lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include Group's share of net profit after tax of - Nil and total comprehensive income of - Nil for the year ended March 31, 2026, as considered in the consolidated financial statements, in respect of one associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of Section 143(3) of the Act, in so far as it relates to the aforesaid subsidiaries and associate, is based solely on the reports of the other auditors.

Certain of these subsidiaries are located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the auditors' report, according to the information and explanations given to us, and based on the CARO report issued by us for the Holding Company and taking into consideration the reports of other auditors on separate financial statements of subsidiaries incorporated in India, included in the consolidated financial statements of the Holding Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in the aforesaid CARO reports.

   This report does not contain a statement on the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order"/ "CARO") issued by the Central Government of India in terms of Section 143(11) of the Act in respect of its associate, since in our opinion and according to the information and explanations given to us and on the consideration of reports of the other auditors on separate financial statements of the said associate, as noted in the Other Matters section above, the said Order is not applicable to its associate.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements and the other financial information of subsidiaries and associate, as noted in the Other Matters section above we report, to the extent applicable, 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 of the aforesaid consolidated financial statements;

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026 and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India and its associate company, none of the directors of the Holding Company, its subsidiary companies incorporated in India and its associate company, is disqualified as on March 31, 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 with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in **"Annexure 1";**

We do not report on the adequacy of the internal financial controls with reference to financial statements of its associate company incorporated in India and the operating effectiveness of such controls in terms of Section 143(3)(i) of the Act, since in our opinion and according to the information and explanations given to us and on the consideration of reports of the other auditors on separate financial statements of the aforesaid associate, the said reporting is not applicable to the associate company;

(g) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us by the Holding Company, the remuneration paid/provided to their directors during the year by the Holding Company is in accordance with the provisions of Section 197 of the Act;

In our opinion and according to the information and explanations given to us and based on the consideration of reports of the other auditors on separate financial statements of the subsidiary companies incorporated in India, the said subsidiary companies have not paid any remuneration to its directors during the year;

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

(i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate – Refer Note 34 of the consolidated financial statements on Contingent Liabilities;

(ii) The Group and its associate did not have any material foreseeable losses on long term contracts including derivative contracts;

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies and associate company incorporated in India;

(iv) (a) Based on our audit report on separate financial statements of the Holding Company, and consideration of reports of the other auditors on separate financial statements of its subsidiary companies incorporated in India and associate company, whose financial statements have been audited under the Act, the management of the Holding Company and the respective management of the aforesaid subsidiaries and associate, have represented that, to the best of their knowledge and belief, 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 Group and its associate 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 Group and its associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) Based on our audit report on separate financial statements of the Holding Company, and consideration of reports of the other auditors on separate financial statements of its subsidiary companies incorporated in India and associate company, whose financial statements have been audited under the Act, the management of the Holding Company and the respective management of the aforesaid subsidiaries and associate, have represented that, to the best of their knowledge and belief, no funds have been received by the Group and its associate from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group and its associate 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;

(c) Based on the audit procedures that are considered reasonable and appropriate in the circumstances, and consideration of reports of the other auditors on separate financial statements of the subsidiary companies incorporated in India and associate company, whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement;

(v) As stated in Note 54 of the consolidated financial statements:

(a) The final dividend proposed for the previous year, declared and paid by the Holding Company during the current year is in compliance with Section 123 of the Act, as applicable;

(b) The Board of Directors of the Holding Company have proposed final dividend for the current year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed for the current year is in compliance with Section 123 of the Act, as applicable;

(c) Further, based on the consideration of reports of the other auditors on separate financial statements of the subsidiary companies incorporated in India and associate company, those entities have neither declared nor paid any dividend during the year; and

(vi) Based on our examination, which included test checks, and that performed by the respective auditors of the subsidiary companies incorporated in India and associate company, whose financial statements have been audited under the Act, the Holding Company, the aforesaid subsidiaries and associate have used an accounting software for maintaining its books of account for the financial year ended March 31, 2026, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of the above referred subsidiaries and associate did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Holding Company as per the statutory requirements for record retention with effect from April 24, 2023. In the case of above referred subsidiaries and associate, audit trail has been preserved by above referred subsidiaries and associate as per the statutory requirements for record retention with effect from May 7, 2024.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Himanshu Goradia
Partner
Membership No. 045668
UDIN: 26045668HEJVEF6432
Place: Mumbai
Date: May 22, 2026

ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditors' Report of even date to the members of Arrow Greentech Limited on the consolidated financial statements for the year ended March 31, 2026]

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section (3) of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Arrow Greentech Limited ("the Holding Company") as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors, in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies which are incorporated in India.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements 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 and to the best of our information and according to the explanations given to us and based on consideration of reporting of other auditors as mentioned in Other Matter paragraph below, the Holding Company and its subsidiary companies which are companies incorporated in India, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026, based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to three subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Himanshu Goradia
Partner
Membership No. 045668
UDIN: 26045668HEJVEF6432
Place: Mumbai
Date: May 22, 2026

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3	2,871	3,115
Right of Use assets	3A	193	39
Capital work-in-progress	3C	48	121
Other Intangible assets	3	77	138
Intagible assets under development	3C	129	124
Investment Property	4	538	460
Financial assets			
(i) Investments	5	19	17
(ii) Other Financial Asset	6	756	604
Deferred Tax Assets (Net)	32(C)	820	785
Income tax assets (Net)	7	151	152
Other non - current assets	8	106	22
Total Non- current assets		**5,708**	**5,577**
Current assets			
Inventories	9	2,525	2,023
Financial assets			
(i) Investments	5	7,644	4,537
(ii)) Trade Receivables	10	3,424	2,931
(iii) Cash and cash equivalents	11	2,679	1,669
(iv) Bank balances other than (iii) above	12	2,621	2,911
(v) Loans	13	8	16
(vi) Other financial assets	14	34	35
Other current assets	15	938	1,142
Total current assets		**19,873**	**15,264**
TOTAL ASSETS		**25,581**	**20,841**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	16	1,509	1,509
Other Equity	17	21,930	17,317
Equity attributable to owners		**23,439**	**18,826**
Non controlling interest	43	182	178
Total Equity		**23,621**	**19,004**
Non-current liabilities			
Financial Liabilities			
(i) Lease Liabilities	3B	159	52
Income tax liabilities (Net)	7A	281	262
Provisions	18	70	47
Total Non current Liabilities		**510**	**361**
Current liabilities			
Financial liabilities			
(i) Trade payables	19		
- Total outstanding dues to Micro and Small Enterprises		298	212
- Total outstanding dues to others		262	678
(ii) Other financial liabilities	20	383	437
(iii) Lease Liabilities	3B	67	15
Provisions	21	44	47
Other current liabilities	22	396	88
Total current Liabilities		**1,450**	**1,477**
Total Liabilities		**1,960**	**1,838**
TOTAL EQUITY AND LIABILITIES		**25,581**	**20,841**
Material accounting policies	2		

The accompanying notes are an integral part of these financial statements (1-55).

As Per our report of even date

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

Himanshu Goradia
Partner
Membership No: 045668

Place : Mumbai
Date : May 22, 2026

For and on behalf of the Board of Directors of
Arrow Greentech Limited
CIN : L21010MH1992PLC069281

Shilpan Patel
Managing Director
DIN No : 00341068

Neil Patel
Joint Managing Director
DIN No : 00607101

Hitesh Punglia
Chief Financial Officer

Poonam Bansal
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

Particulars	Notes	Year ended	
		March 31, 2026	March 31, 2025
INCOME			
Revenue from operations	23	20,051	24,335
Other Income	24	853	526
Total Income		**20,904**	**24,861**
EXPENSES			
Cost of raw materials consumed	25	6,129	7,270
Purchase of stock-in-trade		3,391	3,390
Change in inventory of finished goods, work-in-progress and stock in trade	26	(401)	544
Employee benefits expense	27	1,701	1,531
Finance Costs	28	38	21
Depreciation and amortisation expense	3	777	740
Other expenses	29	2,773	2,765
Total Expenses		**14,408**	**16,261**
Profit before tax		**6,496**	**8,600**
Income tax expense	32		
Current Tax		1,744	2,340
Adjustment of tax relating to earlier periods (net)		56	12
Deferred Tax		(43)	(53)
Total tax expense		**1,757**	**2,299**
Profit/(Loss) after tax		**4,739**	**6,301**
Other comprehensive income :			
(i) Items that will be reclassified to profit or loss			
- Exchange differences on translation of foreign operations		471	134
(ii) Items that will not be reclassified to profit or loss			
- Remeasurements of defined benefit obligations gains/(loss)		10	(8)
- Income tax relating to the above items		(3)	2
		7	(6)
Other comprehensive income for the year, net of tax		478	128
Total comprehensive income for the year		**5,217**	**6,429**
Profit attributable to:			
Owners of equity		4,735	6,313
Non-controlling interest	43	4	(12)
		4,739	**6,301**
Total comprehensive income attributable to:			
Owners of equity		5,213	6,441
Non-controlling interest		4	(12)
		5,217	**6,429**
Earnings per equity share			
Basic and Diluted [Nominal value of the shares ₹ 10 (March 31, 2025 : ₹ 10)]	33	31.38	41.83

The accompanying notes are an integral part of these financial statements (1-55).

As Per our report of even date

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

Himanshu Goradia
Partner
Membership No: 045668

Place : Mumbai
Date : May 22, 2026

For and on behalf of the Board of Directors of
Arrow Greentech Limited
CIN : L21010MH1992PLC069281

Shilpan Patel
Managing Director
DIN No : 00341068

Neil Patel
Joint Managing Director
DIN No : 00607101

Hitesh Punglia
Chief Financial Officer

Poonam Bansal
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

Particulars		Year Ended March 31, 2026	Year Ended March 31, 2025
Cash flows from operating activities			
Profit before tax		6,496	8,600
Adjustment to reconcile profit before tax to net cash flows			
Depreciation and amortisation		777	740
Fair value gain on non-current investments		(226)	(132)
Exchange differences on translation of assets & liabilities		471	134
Provision For Doubtful Debts and Advances		(16)	115
Unrealised Foreign Exchange (gain)/loss		42	22
Interest and dividend Income		(284)	(199)
Finance Cost		38	21
Net (gain)/loss on sale of Investments		(206)	(109)
Rent Income		(71)	(63)
Cash generated from operations before working capital changes		**7,021**	**9,129**
Working capital adjustments:			
Decrease / (Increase) in trade receivables		(450)	289
Decrease/ (Increase) in Inventories		(502)	202
Decrease/ (Increase) in other assets		129	(490)
Increase/ (Decrease) in trade payables and other liabilities		(113)	14
Cash generated from operations		**6,085**	**9,144**
Income tax paid (Net of Refund)		(1,780)	(2,387)
Net Cash from operating activities	**(A)**	**4,305**	**6,757**
Cash flows from Investing activities			
Purchase of Property, plant and equipment including CWIP		(413)	(679)
(Purchase)/Sale of Mutual fund (net)		(2,675)	(4,267)
Maturity/Investments of Bank deposits (net)		126	(769)
Sale of Property, Plant and Equipment		-	5
Refund of Security Deposit		-	15
Interest and Dividend Received		304	175
Rent Income		71	63
Net cash used in investing activities	**(B)**	**(2,587)**	**(5,458)**
Cash flows from financing activities:			
Repayment of Long term Borrowing		-	(33)
Finance cost Paid		(12)	(21)
Dividend paid		(604)	(314)
Lease Liablility paid		(91)	(24)
Net cash used in financing activities	**(C)**	**(707)**	**(392)**
Net (Decrease)/Increase In Cash And Cash Equivalents	**(A+B+C)**	**1,010**	**907**
Cash and Cash equivalents at the beginning of the year		1,669	762
Cash and Cash equivalents at the end of the year (refer note - 11)		**2,679**	**1,669**
Components of cash and cash equivalents			
Cash and cheques on hand*		0	0
Balances with Banks			
In Current Accounts		2,679	1,667
Deposits with original maturity of less than 3 months*		-	2
Cash and Cash equivalents at the end of the year		**2,679**	**1,669**

*Represents amounts less than ₹ 0.5 lakh as at March 31, 2026 & March 31, 2025.

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

Changes in Financial liabilities arising from Financing activities:

Particulars	Balance as at April 01, 2024	Cash flows	Other adjustments	Balance as at March 31, 2025
Non current borrowings (including Current Maturity)	13	(13)	-	-
Current borrowings	20	(20)	-	-
Total	**33**	**(33)**	**-**	**-**

Notes:

Above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard 7 (Ind AS -7) "Statement of Cash Flow".

Previous year's figures have been regrouped/rearranged wherever necessary, to conform to figures of the current year.

The accompanying notes are an integral part of these financial statements (1-55).

As Per our report of even date

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

Himanshu Goradia
Partner
Membership No: 045668

Place : Mumbai
Date : May 22, 2026

For and on behalf of the Board of Directors of
Arrow Greentech Limited
CIN : L21010MH1992PLC069281

Shilpan Patel
Managing Director
DIN No : 00341068

Neil Patel
Joint Managing Director
DIN No : 00607101

Hitesh Punglia
Chief Financial Officer

Poonam Bansal
Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

a. Equity shares of Indian ₹ 10/- each issued, subscribed and fully paid

	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount in Rupees	Number of shares	Amount in Rupees
Balance at the beginning	1,50,87,938	1,509	1,50,87,938	1,509
Changes in equity share capital during the year	-	-	-	-
Balance at the end	**1,50,87,938**	**1,509**	**1,50,87,938**	**1,509**

b. Other Equity

	Attributable to owners							
	Reserves and Surplus						Other Reserves	
	Securities Premium Reserve	Capital Reserve	General Reserve	Retained Earnings	Foreign Currency Translation Reserve	Total other equity	Non Controlling interest	Total
Balance at March 31, 2024	**1,882**	**82**	**2**	**8,907**	**302**	**11,177**	**190**	**11,367**
Profit for the year	-	-	-	6,313	-	6,313	(12)	6,301
Other comprehensive income (net of tax)	-	-	-	(6)	134	128	-	128
Payment of Dividends	-	-	-	(302)	-	(302)	-	(302)
Balance at March 31, 2025	**1,882**	**82**	**2**	**14,915**	**436**	**17,317**	**178**	**17,494**
Profit for the year	-	-	-	4,735	-	4,735	4	4,739
Other comprehensive income (net of tax)	-	-	-	7	471	478	-	478
Payment of Dividends	-	-	-	(604)	-	(604)	-	(604)
Balance at March 31, 2026	**1,882**	**82**	**2**	**19,056**	**907**	**21,930**	**182**	**22,112**

The accompanying notes are an integral part of these financial statements (1-55).

As Per our report of even date

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

Himanshu Goradia
Partner
Membership No: 045668

Place : Mumbai
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For and on behalf of the Board of Directors of
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Hitesh Punglia
Chief Financial Officer

Poonam Bansal
Company Secretary

Notes to the Consolidated Financial Statements for the year ended March 31, 2026
(All amounts in Indian Rupees in Lakhs unless otherwise stated)

1. Corporate Information:

Arrow Greentech Limited is a public company domiciled in India and incorporated under the provisions of the Companies Act, 2013. Its shares are listed on BSE and NSE in India. Arrow Greentech Limited is engaged in business of bio-degradable (green) products, high-tech products and having Patents income for such products/technology. Arrow Greentech Limited caters to both domestic and international markets. These Consolidated Financial Statements relates Arrow Greentech Limited ("the Holding Company") and its subsidiaries (collectively referred to as "the Group"). The registered office of the Holding Company is located at 1/F Laxmi Industrial Estate, New Link Road, Andheri West, Mumbai, India.

2. Material Accounting Policies:

A Basis of accounting and preparation of Financial Statements:

Compliance with Indian Accounting Standards (Ind AS):

These Consolidated Ind AS Financial Statements ("Consolidated Financial Statements") of the Group, have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards ("Ind AS") read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act and accounting principles generally accepted in India. Accounting policies have been consistently applied. These Consolidated Financial Statements were authorized for issue by the Holding Company's Board of Directors on May 22, 2026.

Functional and Presentation Currency

These Consolidated Financial Statements are presented in Indian rupees (in Lakhs), which is the functional currency of the Holding Company.

Basis of accounting and measurement

These Financial Statements are prepared under the historical cost convention except for certain financial instruments which are measured at fair value or at amortized cost at the end of each reporting period.

Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value measurements are categorised as below, based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

(i) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at measurement date;

(ii) Level 2 inputs are inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly or indirectly; and

(iii) Level 3 inputs are unobservable inputs for the valuation of assets or liabilities.

Above levels of fair value hierarchy are applied consistently and generally, there are no transfers between the levels of the fair value hierarchy unless the circumstances change warranting such transfer.

Presentation of Consolidated financial statements

The balance sheet and the statement of profit and loss are prepared in the format prescribed in schedule III to the Act. The statement of cash flows has been prepared under indirect method and presented as per the requirements of Ind AS 7 "Statement of cash flows". The disclosure requirements with respect to items in balance sheet and statement of profit and loss, as prescribed in schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Ind AS and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended. Amounts in the Consolidated financial statements are presented in Indian Rupees in lakhs rounded off up to two decimal places as permitted by schedule III to the Companies Act, 2013. Per share data are presented in Indian Rupees to two decimals places.

Use of Estimates and Judgements

The preparation of the Consolidated Financial Statements in conformity with Ind AS requires Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Management believes that the estimates used in preparation of the Consolidated Financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the year in which the results are known/ materialise. Estimates and underlying assumptions are reviewed on an ongoing basis.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the accounting policies.

The areas involving critical estimates or judgments are:

- Measurement of defined benefit obligations

The cost and present value of the gratuity obligation and compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition rate and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

- Measurement and likelihood of occurrence of provisions and contingencies (Refer note 34)

The Group estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The Group uses significant judgements to assess 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 Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the consolidated financial statements.

- Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

- Estimation of tax expenses and liability

The Group uses judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised 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 utilised. Accordingly, the Group exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

- Useful lives of property, plant, equipment and intangibles

The Group reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

- Right to use

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

- Impairment of financial assets such as trade receivables

Measurement of impairment of financial assets require use of estimates, which have been explained in the note on financial assets, financial liabilities and equity instruments, under impairment of financial assets (other than at fair value).

B Principles of consolidation:

i) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the Consolidated Financial Statements from the date on which control commences until the date on which control ceases.

ii) Non – Controlling Interest (NCI)

The non-controlling interests comprise the portion of equity of subsidiaries that are not owned, directly or indirectly, by the Group.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the Statement of Profit and Loss, consolidated statement of changes in equity and Balance Sheet, respectively.

The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

iii) Loss of Control

When a Group loses control over a subsidiary, it derecognises the assets and the liabilities of the subsidiaries, and any NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date that control is lost. Any resulting gain or loss is recognised in Statement of Profit and Loss.

iv) Equity accounted investees

The Group's interests in equity accounted investees comprise interests in associates.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associates are accounted for using the equity method. They are initially recognised at cost which includes transaction cost. Subsequent to initial recognition, the Consolidated Financial Statements include the Group's share or profit or loss and Other Comprehensive Income of equity accounted investees until the date on which significant influence or joint control ceases.

v) Transactions eliminated on consolidation

Intra-group balance and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

C Revenue Recognition:

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the group is expected to be entitled to in exchange for those goods or services. Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to the contract are committed to perform their respective obligations, each party's rights and obligations and the payment terms can be identified, the contract has commercial substance and it is probable that the entity will collect the consideration to which it is entitled to in exchange for the services that will be transferred to the customer.

The group recognizes provision for sales return, based on the historic results, measured on net basis of the margin of the sale. Therefore, a refund liability, included in other current liabilities, are recognized for the products expected to be returned.

The group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the group as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

i) **Sale of products:** Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

ii) **Rendering of services:** Revenue from services is recognized over time by measuring progress towards satisfaction of performance obligation for the services rendered.

D Property, Plant and Equipment:

i) Recognition and measurement:

Property, plant and equipment are measured at cost / deemed cost, less accumulated depreciation and impairment losses, if any. Cost of Property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the

asset to its working condition for its intended use and estimated attributable costs of dismantling and removing the asset and restoring the site on which it is located.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Consolidated Statement of Profit and Loss during the reporting period in which they are incurred.

Gains or losses arising from derecognition of plant, property and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Any gain or loss on disposal of an item of property, plant and equipment is recognised in Statement of Profit and Loss.

Depreciation on additions / disposals is provided on a pro-rata basis i.e. from / up to the date on which asset is ready for use / disposed off.

ii) Depreciation:

Depreciation on Property, Plant and Equipment has been provided on written down value basis and manner prescribed in Schedule II to the Companies Act 2013.

Depreciation on additions/disposals is provided on a pro-rata basis i.e. from / upto the date on which asset is ready for use/disposed off.

Leasehold Land are amortised over the term of the underlying lease.

iii) Derecognition

The carrying amount of an item of PPE is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of PPE is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the Consolidated Statement of Profit and Loss when the item is derecognized.

E Capital work in Progress:

Expenditure during the construction/ pre-operative period is included under Capital Work-in-Progress and same is allocated to the respective Property, Plant and Equipment on the completion of project.

F Intangible assets:

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the Group and the cost of the asset can be measured reliably.

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a Straight Line Basis over their estimated useful lives. Costs related to patents are written off over the remaining useful life from the day of grant. Computer Software's are amortized over a period of 3 years from the date of acquisition.

Expenditure on research and development eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

G Investment Property:

Investment property is property (land or a building or part of a building or both) held either to earn rental income or for capital appreciation or for both, but neither for sale in the ordinary course or business nor used in production or supply of goods or services or for administrative purposes. Investment properties are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.

Based on technical evaluation and consequent advice, the management believes a period of 54 years as representating the best estimate of the period over which investment property are expected to be used. Accordingly, the Group depreciates investment properties over a period of 54 years on a written down value basis.

Any gain or loss on disposal of investment property calculated as the difference between the net proceeds from disposal and the carrying amount of the Investment Property is recognised in Statement of Profit and Loss.

Fair values is determined by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property valued.

H Research and Development Cost:

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a products' technical feasibility has been established, in which case such expenditure is capitalized.

Product development costs that are directly attributable to the design and testing of identifiable and unique products controlled by the Group are recognised as intangible assets if, and only if, technical and commercial feasibility of the project is demonstrated, future economic benefit are probable, the Group has intention and ability to complete and use or sell the assets and cost can be measured reliably.

The amount capitalized comprise expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Capitalised product development costs are recorded as intangible assets and amortised basis the useful life as estimated by the management.

I Impairment of Assets:

i) Financial assets

In accordance with Ind-AS 109, the Group applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the financial assets measured at amortised cost and debt instruments measured at Fair Value through Other Comprehensive Income. Loss allowances on trade receivables are measured following the 'simplified approach' at an amount equal to the lifetime ECL at each reporting date. In respect of other financial assets, the loss allowance is measured at 12 month ECL only if there is no significant deterioration in the credit risk since initial recognition of the asset or asset is determined to have a low credit risk at the reporting date. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in Statement of Profit and Loss.

ii) Non-financial assets

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment if any indication of impairment exists.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). The impairment loss is recognised as an expense in the Statement of Profit and Loss.

J Investments:

Investments that are readily realisable and intended to be held for not more than a year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognise a decline, other than temporary, in the value of the long term investments.

K Inventories:

i) Raw Materials, packing materials, Stores and Spares are valued at lower of cost arrived on First In First Out method (FIFO) and Net Realisable Value. Cost of raw materials comprises cost of purchases.

ii) Work-in-progress and Finished Goods are valued at lower of cost and Net Realisable Value. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

iii) Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a FIFO basis.

Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

L Employee benefits:

i) Short Term Obligations:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

ii) Other long-term employee benefit obligations:

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the Balance Sheet if the Group does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii) Post – employment obligations:

The Group operates the following post-employment schemes:

(a) defined benefit plans such as gratuity; and

(b) defined contribution plans such as provident fund and Employee State Insurance Fund (ESIC).

Defined Benefit Plans:

The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee Benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the year in which they occur, directly in other comprehensive income they are included in retained earnings in the Statement of changes in equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of Profit and Loss as past service cost.

Defined contribution plan:

The Group pays provident fund and ESIC contributions to publicly administered provident funds / ESIC as per local regulations. The Group has no further payment obligations once. The contributions have been paid. The contributions are accounted for as Defined contribution Plans and The contributions are recognised as employee Benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

- Leave entitlement and compensated absences:

Accumulated leave which is expected to be utilised within next twelve months, is treated as short-term employee benefit. Leave entitlement, other than short term compensated absences, are provided based on a actuarial valuation, similar to that of gratuity benefit. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognised in the Statement of Profit and Loss in the period in which they occur.

-Short-term Benefits:

Short-term employee benefits such as salaries, wages, performance incentives etc. are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences is recognised in the period in which the absences occur.

-Termination benefits

Termination benefits are recognised as an expense as and when incurred.

M Leases:

Group is lessee:

At the date of commencement of lease, the Group recognised a right-to-use assets and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve month or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as operating expense on straight-line basis over the term of lease. The right-to-use assets are initially recognized at cost, which comprises the initial

amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The right-to-use of assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the underlying asset right-to use of assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The Lease liability is initially measured at amortized cost at the present value of future lease payments. The lease payments are discounted using the interest rate implicit in the lease, or if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease Liabilities are re-measured with corresponding adjustment to the related right to use of asset if Group changes its assessment if whether it will exercise an extension or termination option.

Lease liability and right-to-use asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The following is the summary of practical expedients elected on initial application.

1) Applied a single discount rate to portfolio of leases of similar assets in similar economic environment with similar end date.

2) Applied the exemption not to recognize right to use of asset and liabilities for leases with less than 12 months of lease term of the date of initial application.

3) Applied the practical expedient to grandfather the assessment of which transactions are leases.

4) Excluding initial direct costs for the measurement of right to use of asset at the date of initial application.

Group is lessor:

Leases for which the Group is a lessor is classified as finance or operating lease. Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

N Foreign Currency Transactions / Translations:

i) Initial Recognition:

Foreign currency transactions are initially recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. However, for practical reasons, the Group uses a monthly average rate if the average rate approximate the actual rate at the date of the transactions.

Conversion:

Monetary assets and liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Treatment of Exchange Difference:

Exchange differences arising on settlement/ restatement of short-term foreign currency monetary assets and liabilities of the Group are recognised as income or expense in the Statement of Profit and Loss.

ii) Foreign Operations:

In case of foreign operations whose functional currency is different from the parent company's functional currency, the assets and liabilities of such foreign operations, including goodwill and fair value adjustments arising upon acquisition, are translated to the reporting currency at exchange rates at the reporting date. The income and expenses of such foreign operations are translated to the reporting currency at the monthly average exchange rates prevailing during the year. Resulting foreign currency differences are recognized in other comprehensive income/ (loss) and presented within equity as part of Foreign Currency Translation Reserve ("FCTR"). When a foreign operation is disposed of, in part or in full, the relevant amount in the FCTR is reclassified to the Statement of Profit and Loss as a part of gain or loss on disposal.

O Income Tax:

Income tax expense comprises current tax and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates items recognised directly in equity or in OCI.

The income tax expense or credit for the period is tax payable on the current year's taxable income based on the applicable income tax rate adjusted by change in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. Current tax comprises of expected tax payable or receivable on taxable income/loss for the year or any adjustment or receivable in respect of previous year. Management periodically evaluates position taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amount expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the Balance Sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting date and are expected to apply to the Group when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences, unused losses and unused tax credits. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable or no longer probable respectively that the related tax benefit will be realized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

P Earnings Per Share:

(i) Basic earnings per share:

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group;

- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share:

Diluted earnings per share is calculated by dividing:

- the net profit or loss after tax for the year attributable to owners of the Group;

- by the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Q Provisions:

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

R Contingent Liabilities:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The group does not recognize a contingent liability but discloses its existence in the financial statements.

S Cash and Cash Equivalents:

Cash and cash equivalents in the Balance Sheet include cash on hand, cheques on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less

that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and overdrawn bank balances.

T Cash Flows:

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

U Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a. Financial Liabilities:

Initial Recognition and Measurement:

Financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liability is initially measured at transaction price and where such price is different from fair value, at fair value.

Subsequent Measurement:

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

Financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Loans and Borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of profit and loss.

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 and Loss.

b. Financial Assets:

Initial Recognition And Measurement

At initial recognition, financial asset is measured at its fair value plus or minus, in the case of a financial asset not "at fair value through profit or loss" are measured at transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit and loss.

Classification And Subsequent Measurement:

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Group classifies financial assets as subsequently measured at amortised cost, fair value through OCI or fair value through profit and loss.

i) Financial Assets Amortised at Cost:

A financial asset is subsequently measured at amortised cost if it is held with in a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely consisting payments of principal and interest on the principal amount outstanding.

ii) Financial assets at fair value through other comprehensive income:

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets

and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments principal and interest on the principal amount outstanding.

iii) Financial assets at fair value through profit or loss:

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss. Interest and dividend income from these financial assets is included in "Other income". Net gains and losses, including any interest or dividend income are recognized in statement of profit and loss.

Equity Investments:

All equity investments within the scope of Ind-AS 109 are measured at fair value. Such equity instruments which are held for trading are classified as FVTPL. For all other such equity instruments, the Group decides to classify the same either as FVOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in OCI. Dividends on such equity instruments are recognised in the Statement of Profit and Loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss. Dividends on such equity instruments are recognised in the Statement of Profit and Loss.

Derecognition:

A financial asset is derecognized when:

- the Group has transferred substantially all the risks and rewards of the asset, or

- the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

c. Offsetting Of Financial Instruments:

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

V Current–Non-Current Classification:

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

a) it is expected to be realised in, or is intended for sale or consumption in, the group's normal operating cycle;

b) it is held primarily for the purpose of being trade;

c) it is expected to be realised on demand or within 12 months after the reporting date; or

d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

a) it is expected to be settled in the group's normal operating cycle;

b) it is held primarily for the purpose of being trade;

c) it is due to be settled in demand or within 12 months after the reporting date; or

d) there is no unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

W Operating Cycle:

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation

in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

X Segment Reporting:

The Group determines segments based on the internal organisation and management structure of the Group its system of internal financial reporting and the nature of its risks and its returns. The Board of Directors of the Group has been identified as Chief Operating Decision Maker (CODM). CODM evaluates the Group's performance, allocate resources based on analysis of various performance indicators of the Group for disclosing in the segment report. The accounting policies adopted for segment reporting are in line with the accounting policies of the Group.

Segment revenue includes income directly identifiable with the segments.

Expenses that are directly identifiable with the segments are considered for determining the segment result. Expenses which relate to the Group as a whole and not allocable to segments and expenses which relate to the operating activities of the segment but are impracticable to allocate to the segment, are included under "Unallocable corporate expenses".

Income which relates to the Group as a whole and not allocable to segments are included in Unallocable Income and netted off from Unallocable corporate expenses.

Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.

Y Other Income:

i. Interest income is accrued on a time basis by reference to the principal outstanding and the effective interest rate.

ii. Dividend income is accounted for in the period in which the right to receive the same is established.

iii. Exchange gain/loss consists of realized gain/loss and revaluation gain/loss on translation of foreign currency assets and liabilities.

iv. Other items of income are accounted as and when the right to receive arises and it is probable that the economics benefits will flow to the Group and the amount of income can be measured reliably.

Z Employee Stock Option Scheme:

In respect of stock options granted pursuant to the holding Company's stock options scheme, the excess of fair value of the option over the exercise price is treated as discount and accounted as employee compensation cost over the vesting period. The amount recognised as expense each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as expense in respect of such grant is transferred to general reserve.

AA Borrowing Cost:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

AB Recent Accounting Pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules from time to time. During the year ended March 31, 2026, MCA has notified the following amendments to Indian Accounting Standards, applicable to the Group from April 1, 2025:

Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 - The amendment relates to classification of liabilities as current or non -current and current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of the existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on the classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.

Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

Ind AS 12 – Income Taxes relating to International Tax Reform – Pillar Two Model Rules. The Company has no impact of this amendment.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

3 Tangible and intangible assets

	Gross carrying amount					Accumulated depreciation / amortisation					Net block
	Carrying amount as at April 01, 2025	Additions during the year	Disposal during the year	Translation adjustments	As at 31st March , 2026	Up to April 01, 2025	Charge for the year	Disposal during the year	Translation adjustments	Up to 31st March , 2026	As at 31st March , 2026
A Property, plant and equipment											
Leasehold Land	495	-	-	-	495	11	6	-	-	17	478
Building	1,289	35	-	102	1,426	407	62	-	19	488	938
Plant and Equipment	3,990	212	-	-	4,202	2,756	403	-	-	3,160	1,042
Furniture and Fixtures	290	12	0	0	302	125	52	-	0	177	125
Electrical Installation	176	4	-	-	180	103	20	-	-	122	58
Motor Car	180	0	-	1	182	61	37	-	1	98	83
Office Equipment	112	17	(2)	1	128	74	19	(2)	0	92	36
Computer	90	9	-	1	99	78	8	-	0	86	13
Office Building (Refer note below)	18	-	-	-	18	5	1	-	-	6	12
Lease Hold Improvement	100	-	-	-	100	5	10	-	-	14	86
Total A	**6,740**	**289**	**(2)**	**105**	**7,131**	**3,625**	**617**	**(2)**	**20**	**4,261**	**2,871**
B Capital work-in-progress (Refer Note 3C)	121	63	(136)	-	48	-	-	-	-	-	48
Total B	**121**	**63**	**(136)**	**-**	**48**	**-**	**-**	**-**	**-**	**-**	**48**
C Intangible assets											
Patent rights	597	21	-	47	664	468	85	-	39	592	72
Software	17	-	-	-	17	8	5	-	-	13	4
Total C	**614**	**21**	**-**	**47**	**681**	**476**	**90**	**-**	**39**	**605**	**77**
D Intangible assets under development (Refer Note 3C)											
Patent rights	79	26	(21)	0	84	-	-	-	-	-	84
Product Development	45	-	-	-	45	-	-	-	-	-	45
Total D	**124**	**26**	**(21)**	**0**	**129**	**-**	**-**	**-**	**-**	**-**	**129**
Total (A+B+C+D)	**7,599**	**399**	**(158)**	**152**	**7,990**	**4,101**	**707**	**(2)**	**59**	**4,865**	**3,125**

Note: (1) Building having gross value of ₹ 2 (P.Y. ₹ 2) is pending for registration in the name of the Holding Company. Management is of the opinion that the building will be transferred in the name of the Holding Company in due course.

Description of Property	Gross Carrying Value	Held in Name of	Whether Promoter, director or their relative or employee	Period held	Reason for not being held in the name of company
Office Building	2	Rishil Exports	Relative of Promoter	01-04-1994	in process

(2) Assets disposed during the year: Office Equipment - ₹ 2 Lakhs

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

3 Tangible and intangible assets

	Gross carrying amount					Accumulated depreciation / amortisation					Net block
	Carrying amount as at April 01, 2024	Additions during the year	Disposal during the year	Translation adjustments	As at March 31, 2025	Up to April 01, 2024	Charge for the year	Disposal during the year	Translation adjustments	Up to March 31, 2025	As At March 31, 2025
A Property, plant and equipment											
Leasehold Land	495	0	-	-	495	5	6	-	-	11	484
Building	1,239	13	-	37	1,289	332	69	-	6	407	882
Plant and Equipment	3,705	285	-	-	3,990	2,322	434	-	-	2,756	1,234
Furniture and Fixtures	154	136	-	-	290	85	40	-	-	125	165
Electrical Installation	151	25	-	-	176	82	21	-	-	103	73
Motor Car	167	56	(43)	-	180	70	32	(41)	-	61	119
Office Equipment	79	33	-	-	112	60	14	-	-	74	38
Computer	77	13	-	0	90	68	10	0	0	78	12
Office Building(Note below)	18	0	-	-	18	3	2	-	-	5	13
Lease Hold Improvement	-	100	-	-	100	-	5	-	-	5	95
Total A	**6,085**	**661**	**(43)**	**37**	**6,740**	**3,027**	**633**	**(41)**	**6**	**3,625**	**3,115**
B Capital work-in-progress (Refer Note 3C)	211	391	(481)	-	121	-	-	-	-	-	121
Total B	**211**	**391**	**(481)**	**-**	**121**	**-**	**-**	**-**	**-**	**-**	**121**
C Intangible assets											
Patent rights	562	17	-	17	597	377	80	-	11	468	129
Software	11	6	-	-	17	0	8	-	-	8	9
Total C	**573**	**23**	**-**	**17**	**614**	**378**	**88**	**-**	**11**	**476**	**138**
D Intangible assets under development (Refer Note 3C)											
Patent rights	65	31	(18)	-	79	-	-	-	-	-	79
Product Development	44	2	-	-	45	-	-	-	-	-	45
Total D	**109**	**33**	**(18)**	**-**	**124**	**-**	**-**	**-**	**-**	**-**	**124**
Total (A+B+C+D)	**6,979**	**1,109**	**(542)**	**54**	**7,599**	**3,405**	**721**	**(41)**	**17**	**4,101**	**3,497**

Note : (1) Building having gross value of ₹ 2 (P.Y. ₹2) is pending for registration in the name of the Holding Company. Management is of the opinion that the building will be transferred in the name of the Holding Company in due course.

Description of Property	Gross Carrying Value	Held in Name of	Whether Promoter, director or their relative or employee	Period held	Reason for not being held in the name of company
Office Building	2	Rishil Exports	Relative of Promoter	01-04-1994	in process

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

3A Right to use

All lease agreements are duly executed in favour of the Group.

Gross Block

Particulars	March 31, 2026	March 31, 2025
Balance as at beginning of the year	123	161
Addition	224	-
Deletion	-	(38)
Balance as at end of the year	**347**	**123**

Accumulated Depreciation

Particulars	March 31, 2026	March 31, 2025
Balance as at beginning of the year	84	102
Depreciation	69	20
Deletion	-	(38)
Balance as at end of the year	**153**	**84**

Net Block as at end of the year	**193**	**39**

3B Lease Liabilities

Particulars	March 31, 2026	March 31, 2025
Balance as at beginning of the year	66	90
Addition	224	-
Interest Expenses	26	9
Payment of Lease liabilities	(91)	(32)
Balance as at end of the year	**226**	**66**

Current	67	15
Non - Current	159	52
Closing Balance	**226**	**66**

The Company's lease asset class primarily consist of Office premises/ factory premises.

a. The maturity analysis of lease liabilities are disclosed in Note 41 (ii).
b. The interest expenses on lease liabilities recognised in given in Note 28.
c. The Company incurred expenses ₹ 31 lakhs for the year ended March 31, 2026 (₹ 64 lakhs: March 31, 2025) relating to short-term leases.
d. The total cash outflow for leases is for the year ended March 31, 2026 ₹ 91 lakhs (March 31, 2025 : ₹ 32 lakhs)
e. The weighted average leasee's incremental borrowing rate applied to the lease liabilities is 9.80% p.a.

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

3C Capital WIP Ageing Schedule

As at March 31, 2026	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Tangible Assets					
Project in Progress	34	10	1	3	48
Projects temporarily suspended	-	-	-	-	-
	34	**10**	**1**	**3**	**48**
Intangible Assets					
Project in Progress	26	12	32	59	129
Projects temporarily suspended	-	-	-	-	-
	26	**12**	**32**	**59**	**129**

As at March 31, 2025	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Tangible Assets					
Project in Progress	112	6	3	1	121
Projects temporarily suspended	-	-	-	-	-
	112	**6**	**3**	**1**	**121**
Intangible Assets					
Project in Progress	10	31	35	48	124
Projects temporarily suspended	-	-	-	-	-
	10	**31**	**35**	**48**	**124**

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

4 Investment Property

	Gross carrying amount					Accumulated depreciation / amortisation					carrying amount
	Carrying amount as at April 01, 2025	Additions during the year	Disposal during the year	Translation adjustments	As at March 31, 2026	Up to April 01, 2025	Charge for the year	Disposal during the year	Translation adjustments	Up to March 31, 2026	As At March 31, 2026
Guest House	17	-	-	-	17	6	1	-	-	6	10
Office Building	514	-	-	(78)	592	64	-	-	-	64	528
Total	**531**	**-**	**-**	**(78)**	**609**	**70**	**1**	**-**	**-**	**71**	**538**

	Gross carrying amount					Accumulated depreciation / amortisation					carrying amount
	Carrying amount as at April 01, 2024	Additions during the year	Disposal during the year	Translation adjustments	As at March 31, 2025	Up to April 01, 2024	Charge for the year	Disposal during the year	Translation adjustments	Up to March 31, 2025	As At March 31, 2025
Guest House	17	-	-	-	17	5	1	-	-	5	11
Office Building	485	-	-	(29)	514	64	-	-	-	64	449
Total	**502**	**-**	**-**	**(29)**	**531**	**70**	**1**	**-**	**-**	**70**	**460**

(I) Amount recognised in Statement of Profit and Loss for investment property (Guest House)

	As at March 31, 2026	As at March 31, 2025
Depreciation	1	1
Profit / (loss) from investment property	**(1)**	**(1)**
(II) Fair value		
Investment property #	26	26

 # Estimation of Fair value(Guest House)

The Company has carried out the fair valuation of property involving external independent valuation expert. As per the fair valuation report dated March 31, 2025 the fair value of investment property is Rs. 26.04 lakhs. The valuation model has considered various input like cost, location, market appreciation, etc.

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

5 Investments

	As at			
	March 31, 2026		March 31, 2025	
	Nos.	Amount	Nos.	Amount
Investment in Equity instruments of Associates (Unquoted) (Fully paid up)				
Investment in SP Arrow Bio-Polymer Products Private Limited of face value ₹ 10 each March 31, 2026 46% holding (March 31, 2025 46% holding)	4,600	-	4,600	-
Investments in Equity Instruments (Unquoted), (Fully Paid), at Fair value through Profit or Loss Account				
Shamrao Vithal Co- operative Bank*		0		0
Equity Shares of ₹ 25/- each	300		300	
Equity Shares of ₹ 10/- each	100		100	
Investment in Shares - Aquasam Limited, UK		19		17
Equity Shares of GBP 1 each	250		250	
In mutual funds (quoted) (Non-Trade), at Fair Value through Profit or Loss (refer below details)		7,644		4,537
		7,663		**4,554**
Aggregate amount of quoted investments and market value thereof		7,644		4,537
Aggregate amount of unquoted investments		19		17
Aggregate amount of impairment in the value of investments		Nil		Nil

Investment in mutual funds (quoted) (fully paid up) at Fair Value through Profit and Loss

	As at			
	March 31, 2026		March 31, 2025	
	Units	Amount	Units	Amount
HDFC Arbitrage Fund- Direct Growth	51,94,151	1,099	-	-
ICICI Prudential Savings Fund - Daily Dividend	1,47,809	25	2,273	2
HDFC Liquid Fund- Regular Plan - Growth	338	18	175	9
ICICI Prudential Equity Arbitrage Fund-Growth	1,10,01,681	3,943	75,83,140	2.560
HDFC Liquid Fund- Direct Growth	10,379	562	-	-
ICICI Prudential Equity Arbitrage Fund-Dividend	-	-	1,45,396	22
HDFC Arbitrage Fund -WS Growth	62,39,313	1,997	64,42,509	1,944
ICICI Overnight Fund DP Growth *	79	1	5	0
		7,644		**4,537**

*Represents amounts less than ₹ 0.5 lakh as at March 31, 2025 & March 31, 2026

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

		As at	
		March 31, 2026	March 31, 2025
6	**Other Financial assets**		
	Fixed deposits with Bank (maturity more than 12 months) (Refer note below)	675	514
	Security Deposit (Unsecured, considered good)	17	16
	Security deposits - others	67	78
	Less: Allowance for Expected credit loss on deposits	(3)	(4)
		756	**604**
	A. The credit worthiness of banks and financial institutions is evaluated by management on an ongoing basis and considered to be good. B. Includes ₹ 9 Lakhs (March 31, 2025: ₹ 15 Lakhs) held as lien by bank against bank guarantee/ deposits.		
7	**Income tax assets (Net)**		
	Advance Income Tax (Net of Provision for Taxation)	151	152
		151	**152**
7A	**Income tax Liabilities (Net)**		
	Provision for Income Tax (Net of Advance Tax)	281	262
		281	**262**
8	**Other non - current assets**		
	Unsecured, considered good		
	Capital advances		
	Considered Good*	47	0
	Considered Doubtful	-	1
	Less: Allowance for expected credit loss on advances	-	(1)
		47	0
	Prepaid expenses	59	22
		106	**22**
	*Represents amounts less than ₹ 0.5 Lakh as at March 31, 2025		
9	**Inventories**		
	Raw materials and components:		
	Polyvinyl Alcohol	162	150
	Coatings & additives	807	909
	Substrates	372	243
	Others	80	67
	Total	**1,421**	**1,369**
	Work in progress:		
	Water Soluble Films	30	42
	Anti Counterfeit products	268	316
	Others	20	14
	Finished goods:		
	Water Soluble Films	143	49
	Anti Counterfeit products	16	68
	Stock in trade		
	Other (Including PVA)	478	65
	Stores and spares	149	100
		2,525	**2,023**

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

	As at	
	March 31, 2026	**March 31, 2025**
10 Trade Receivables		
Unsecured		
Dues from trade receivables considered good	3,424	2,931
Dues from trade receivables considered doubtful	57	78
Less: Allowance for doubtful debts	(57)	(78)
	3,424	**2,931**

Note: Trade receivable are receivable in normal operating cycle and are shown net of an allowance for bad or doubtful debts

No trade receivables are due from directors or other officers of the Group or any of them either severally or jointly with any other person. Nor any trade or other receivables are due from firms including limited liability partnerships (LLPs) or private companies respectively in which any director is a partner or a director or a member.

Trade Receivable Ageing

As at March 31, 2026	Not due	Less than 6 Months	6 months-1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivable - Considered Good	-	3,420	4	-	-	-	3,424
(ii) Undisputed Trade Receivable - Considered Doubtful	-	12	-	1	-	44	57
(iii) Disputed Trade Receivable - Considered Good	-	-	-	-	-	-	-
(iv) Disptuted Trade Receivable - Considered Doubtful	-	-	-	-	-	-	-
Total (A)	**-**	**3,432**	**4**	**1**	**-**	**44**	**3,481**
Allowance for Expected Credit loss	**-**	**12**	**-**	**1**	**-**	**44**	**57**
Total (B)	**-**	**12**	**-**	**1**	**-**	**44**	**57**
TOTAL (A-B)	**-**	**3,420**	**4**	**-**	**-**	**-**	**3,424**

As at March 31, 2025	Not due	Less than 6 Months	6 months-1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivable - Considered Good	-	2,816	49	65	-	-	2,931
(ii) Undisputed Trade Receivable - Considered Doubtful	-	14	0	-	5	58	78
(iii) Disputed Trade Receivable - Considered Good	-	-	-	-	-	-	-
(iv) Disptuted Trade Receivable - Considered Doubtful	-	-	-	-	-	-	-
Total (A)	**-**	**2,830**	**50**	**65**	**5**	**58**	**3,009**
Allowance for Expected Credit loss	**-**	**14**	**0**	**-**	**5**	**58**	**78**
Total (B)	**-**	**14**	**0**	**-**	**5**	**58**	**78**
TOTAL (A-B)	**-**	**2,816**	**49**	**65**	**-**	**0**	**2,931**

*Represents amounts less than ₹ 0.5 Lakh as at March 31, 2025

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

	As at	
	March 31, 2026	**March 31, 2025**
11 Cash and cash equivalents		
Balance with bank:		
On current accounts	2,679	1,667
Deposits with original maturity of less than 3 months*	-	2
Cash on hand*	0	0
	2,679	**1,669**
The credit worthiness of banks and financial institutions is evaluated by management on an ongoing basis and is considered to be good.		
*Represents amounts less than ₹ 0.5 Lakh as at March 31, 2026 & March 31, 2025.		
12 Bank balances other than cash and cash equivalents		
Unclaimed Dividend Account	6	9
Employer Gratuity Account	3	3
Deposits with maturity of more than 3 months but less than 12 months (Refer Note Below)	2,612	2,899
	2,621	**2,911**
Held as lien by bank against bank guarantee of (March 31, 2026 ₹1,718, March 31, 2025 ₹ 439) The credit worthiness of banks and financial institutions is evaluated by management on an ongoing basis and is considered to be good.		
13 Loans		
Unsecured, considered good		
Loan to Employees	9	17
Less: Allowance for expected credit loss on loans to employees	(1)	(1)
	8	**16**
14 Other financial assets		
Unsecured, considered good		
Interest accrued on deposits with bank	24	26
Export benefit receivable	9	8
Security deposits - Others	1	1
	34	**35**
15 Other current assets		
Unsecured, considered good unless stated otherwise		
Advance to suppliers	402	58
Prepaid expenses	62	50
Advance to employees	21	5
Balance with Government authorities	453	1,030
	938	**1,142**

No advances are due from directors or other officers of the Group or any of them severally or jointly with any other person.

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

16 Share capital

a) Equity share capital

	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
Authorised share capital				
Equity shares of ₹ 10 each	1,75,00,000	1,750	1,75,00,000	1,750
Issued, Subscribed and Paid Up :				
Equity shares of ₹10 each fully paid	1,50,87,938	1,509	1,50,87,938	1,509

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

	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	1,50,87,938	1,509	1,50,87,938	1,509
Add: Equity shares issued during the year	-	-	-	-
Outstanding at the end of the year	**1,50,87,938**	**1,509**	**1,50,87,938**	**1,509**

c) Terms /Rights attached to Equity shares

The Holding Company has only one class of equity shares having par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The Group declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Group, the holders of equity shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) Details of shares held by each shareholder holding more than 5% equity shares

Name of shareholders	As at March 31, 2026		As at March 31, 2025	
	Number of shares	% of Holding	Number of shares	% of Holding
Arrow Business Advisory Private Limited	9,96,014	6.60%	9,96,014	6.60%
Jigisha S. Patel	16,97,205	11.25%	16,97,205	11.25%
Shilpan P. Patel	52,39,557	34.73%	52,39,557	34.73%
Shilpan Patel (HUF)	10,29,180	6.82%	10,29,180	6.82%
	89,61,956	**59.40%**	**89,61,956**	**59.40%**

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

e) Details of shares held by promoters As at March 31, 2026

Name of Promoters	Number of shares	% of Holding	% change during the year
Arrow Business Advisory Private Limited	9,96,014	6.60%	-
Jigisha S. Patel	16,97,205	11.25%	-
Shilpan P. Patel	52,39,557	34.73%	-
Shilpan Patel (HUF)	10,29,180	6.82%	-
Neil Patel	4,10,272	2.72%	-
Rishil Patel	3,99,960	2.65%	0.02
Manisha Sindhi	10,000	0.07%	-
	97,82,188	**64.83%**	**0.02**

As per the records of the Company, including its register of members.

		As at	
		March 31, 2026	March 31, 2025
17 Other Equity			
General Reserve	17 (i)	2	2
Capital reserve	17 (ii)	82	82
Securities premium reserve	17 (iii)	1,882	1,882
Retained earnings	17 (iv)	19,056	14,915
Foreign currency translation reserve	17 (v)	907	436
		21,930	**17,317**
Reserves and surplus			
17(i) General reserve			
Balance at the beginning of the year		2	2
Movement during the year		-	-
Balance at the end of the year		**2**	**2**
17 (ii) Capital reserve			
Balance at the beginning of the year		82	82
Movement during the year		-	-
Balance at the end of the year		**82**	**82**
17 (iii) Securities premium reserve			
Balance at the beginning of the year		1,882	1,882
Movement during the year		-	-
Balance at the end of the year		**1,882**	**1,882**

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

		As at	
		March 31, 2026	**March 31, 2025**
17 (iv)	**Retained earnings**		
	Opening Balance at the beginning of the year	14,915	8,907
	Add :Profit for the year	4,735	6,313
	Less : Dividend paid by Holding company	(604)	(302)
	Items that will not be reclassified to profit or loss :		
	- Remeasurement of defined benefit obligation	10	(8)
	- Income tax relating to above item	(3)	2
	Balance as at the year end	**19,056**	**14,915**
17 (v)	**Other Comprehensive Income**		
	Foreign Currency Translation Reserve		
	Opening balance	436	302
	Add: for the year	471	134
	Balance as at the year end	**907**	**436**
		21,930	**17,317**

The Company declares and pays dividends in Indian Rupees. Payment of dividend is also made in foreign currency to shareholders outside India. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

Dividend on equity shares paid during the year by the Holding Company are as follows :-

	As at	
	March 31, 2026	**March 31, 2025**
Dividend paid during the year	604	302
Final dividend for the FY 2024-25 ₹ 4/- (Previous year - FY 2023-24 - ₹ 2) per equity share of face value of ₹ 10 each	604	302

The Board of Directors of the Holding Company at its meeting held on May 22, 2026 have recommended a payment of final dividend of ₹ 5/- per equity share of face value of ₹ 10 each for the financial year ended March 31, 2026 resulting in a dividend payout of ₹ 754 lakhs.The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

Note

Nature of reserves

a) General Reserve

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to the Statement of Profit and Loss.

b) Capital Reserve

The Capital reserve is created on account of forfeiture of share application money.

c) Securities Premium

Securities premium account comprises of premium on issue of shares. The reserve is utilised in accordance with the specific provision of the Companies Act, 2013.

d) Retained Earnings

Retained earnings represents surplus/accumulated earnings of the Group and are available for distribution to shareholders

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

	As at	
	March 31, 2026	March 31, 2025
18 Provisions		
Provision for employee benefits		
Leave encashment (unfunded) (Refer note 38)	70	47
	70	**47**
19 Trade Payables		
Total outstanding dues of micro enterprises and small enterprises (Refer Note 37)	298	212
Total outstanding dues to others	262	678
	560	**890**

Trade Payable Ageing (including capital payables)

As at March 31, 2026	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME					
- Disputed	-	-	-	-	-
- Undisputed	298	-	-	-	298
(ii) Others					
- Disputed	-	-	-	-	-
- Undisputed	250	3	15	137	403
Total	**547**	**3**	**15**	**137**	**701**

As at March 31, 2025	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME					
- Disputed	-	-	-	-	-
- Undisputed	212	-	-	-	212
(ii) Others					
- Disputed	-	-	-	-	-
- Undisputed	686	42	7	112	847
Total	**898**	**42**	**7**	**112**	**1,059**

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

		As at	
		March 31, 2026	**March 31, 2025**
20	**Other Financial liabilities**		
	Interest Accrued but not due*	-	0
	Unclaimed Dividend ^	6	9
	Employee Benefits Payable	85	93
	Outstanding liability for expenses	151	166
	Trade payable for capital goods (other than small and medium enterprises) (Refer Note 19)	141	169
		383	**437**
	^ There are no unpaid dividend which is required to be transferred to Investors Education Protection Fund.		
	*Represents amounts Less than ₹ 0.5 lakh as at March 31, 2025.		
21	**Provisions**		
	Provision for employee benefits		
	- Gratuity (funded) (Refer Note 38)	37	41
	- Leave encashment (unfunded) (Refer Note 38)	7	6
		44	**47**
22	**Other current liabilities**		
	Statutory Dues Payable	342	49
	Advances from customer	54	39
		396	**88**

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

	For the year ended	
	March 31, 2026	**March 31, 2025**
23 Revenue from operations		
Sale of products (net of sales return)		
Finished goods	15,153	19,250
Traded goods	4,737	4,758
Services rendered		
Consulting Income	85	205
Product Development Fees	62	107
Other Operating Revenue		
Sale of scrap	14	15
Revenue from Operations	**20,051**	**24,335**
Detail of Sale of Products / Services		
Finished goods sold		
Water Soluble Films	3,230	2,136
Anti Counterfeit Products	11,821	17,090
Others	102	24
	15,153	**19,250**
Traded goods sold		
Cleaning Products	10	12
Other Business	4,728	4,746
	4,737	**4,758**
Detail - Geography wise Operations		
Export Sales	1,602	584
Local sales	18,449	23,751
	20,051	**24,335**
24 Other Income		
Dividend Income		
From Non-current Investment in Mutual Fund measured at Fair Value through profit or loss	1	1
Interest Income received on Financial Assets - Carried at amortised cost		
On Fixed Deposit with Bank	241	194
On Others	41	5
Foreign Exchange Gain (net)	36	6
Net Gain on Sale of non-current Investments in Mutual Fund	206	109
Miscellaneous Income	31	16
Provision for Doubtful Debts & Advances written back*	-	0
Net Gain on Fair valuation of non-current Investments in Mutual Fund measured at Fair value through profit or loss	226	132
Rent Income	71	63
	853	**526**

*Represents amount Less than ₹ 0.5 Lakh for the year ended March 31, 2025

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

		For the year ended	
		March 31, 2026	**March 31, 2025**
25	**Cost of raw materials consumed**		
	Inventory at the beginning of the year	1,369	1,010
	Add: Purchases	6,181	7,629
	Less: Inventory at the end of the year	1,421	1,369
		6,129	**7,270**
26	**Change in inventory of finished goods, work-in-progress and stock in trade**		
	Inventories at the end of the year		
	Stock In Trade	478	65
	Work-in-progress	318	372
	Finished goods	159	117
	Inventories at the beginning of the year		
	Stock In Trade	65	-
	Work-in-progress	372	820
	Finished goods	117	278
		(401)	**544**
27	**Employee benefits expense**		
	Salary, Wages and Bonus	1,563	1,418
	Contribution to Provident and other funds (Refer note - 38)	39	37
	Gratuity and Leave Encashment (Refer note - 38)	46	24
	Staff welfare expenses	53	52
		1,701	**1,531**
28	**Finance Cost**		
	Interest on Secured Loan	-	1
	Processing and Other Charges	8	6
	Interest on Lease (Refer note 3B)	26	9
	Others	4	5
		38	**21**

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

		For the year ended	
		March 31, 2026	**March 31, 2025**
29	**Other expenses**		
	Consumption of stores and spares	150	161
	Repair and Maintenance - Building	0	31
	Repair and Maintenance - Machinery	46	21
	Repair and Maintenance - Other	40	38
	Rent (Refer note 35)	31	64
	Insurance	57	50
	Power and Fuel	619	550
	Labour Charges	108	83
	Factory Expenses	153	95
	Selling and Promotion Expenses	47	38
	Freight and Forwarding	104	117
	Postage and Telephone Expenses	20	15
	Travelling and Conveyance	283	276
	Legal and Professional Charges	544	658
	Sitting Fees	9	9
	Patent Charges	59	48
	Donations	1	10
	Provision For Doubtful Debts and Advances	(16)	115
	Payment to Auditors (Exclusive of Goods and Services tax) (refer note 30)	37	35
	Corporate Social Responsibility Expense (refer note 31)	110	57
	Bank Charges	28	27
	Bad debts	24	-
	Commission on Sales	99	88
	Other Miscellanous Expenses	222	179
		2,773	**2,765**
30	**Payment to Auditors (Exclusive of Goods and Services tax)**		
	As auditor		
	Auditors Remuneration	28	26
	Tax audit fees	2	2
	Limited review fees	6	6
	Other Capacity		
	Other services (Certification fees)	1	1
	Taxation matters	-	-
	Reimbursement of expenses	-	-
		37	**35**

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

	For the year ended	
	March 31, 2026	**March 31, 2025**
31 Corporate Social Responsibility Expense		
1. Amount required to be spent by the Holding Company during the year (including shortfall for earlier years)	107	51
2. Amount of expenditure incurred on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	110	57
3. Shortfall at the end of the year	-	-
4. Total of previous years shortfall	-	-
5. Reason for shortfall	N.A.	N.A.
6. Nature of CSR activities	Donation given to charitable trusts, hospital & Payment for Computers & schools	Donation given to charitable trusts & Payment for water coolers & TV to schools
7. Details of related party transactions in relation to CSR expenditure	-	-
32 Income taxes		
a. Statement of Profit and Loss		
Current tax:		
Tax for the year	1,744	2,340
Adjustments for current tax of prior periods	56	12
Total current tax expense	**1,800**	**2,352**
Deferred tax:		
Deferred tax expenses	(43)	(53)
Total deferred tax expense	**(43)**	**(53)**
Income tax expense	**1,757**	**2,299**
Other comprehensive income		
Deferred tax related to OCI items:		
Net loss / (gain) on remeasurements of defined benefit plans	3	(2)
	3	**(2)**

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

b. Reconciliation of effective tax rate

A reconciliation of income tax expense as included in the statement of profit and loss to the amount computed by applying the weighted average enacted income tax rate to income before income taxes is summarized below:

	For the year ended			
	March 31, 2026		March 31, 2025	
Profit before tax		6,496		8,600
Tax at the Indian tax rate	25.17%	1,635	25.17%	2,165
Tax effects on amounts which are not deductible (taxable) in calculating taxable income				
Tax effect of:				
Non-deductible expenses	0.43%	28	0.19%	17
Tax adjustment of earlier years	0.85%	56	0.14%	12
Non recognition of DTA on Losses in view of Prudence	0.99%	65	0.90%	77
Others	-0.41%	(26)	0.34%	29
	27.04%	**1,757**	**26.74%**	**2,299**

c. Deferred Tax Liabilities (net)

(i) Movement in deferred tax Assets for the year ended March 31, 2026

	Net balance March 31, 2025	Recognised through Profit and Loss	Recognised through OCI	Net balance March 31, 2026
Deferred tax on:				
Property, plant and equipment	124	56	-	180
Fair valuation of investments in mutual fund	(34)	(56)	-	(90)
provision for doubtful debts and Advances and disallowances under Section 43B of the Income Tax Act, 1961	46	4	(3)	47
Brought Forward Losses	645	33	-	678
Others	4	1	-	5
	785	**43**	**(3)**	**820**

(ii) Movement in deferred tax assets for the year ended March 31, 2025

	Net balance March 31, 2024	Recognised through Profit and Loss	Recognised through OCI	Net balance March 31, 2025
Deferred tax on:				
Property, plant and equipment	66	58	-	124
Fair valuation of investments in mutual fund	(1)	(33)	-	(34)
provision for doubtful debts and Advances and disallowances under Section 43B of the Income Tax Act, 1961	51	(7)	2	46
Brought Forward Losses	609	36	-	645
Others	1	3	-	4
	727	**53**	**2**	**785**

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

	For the year ended	
	March 31, 2026	March 31, 2025
33 Earnings Per Share		
Calculation of basic and diluted Earnings per share is as follows:		
Profit for the year attributable to Owners of the Group	4,735	6,313
Weighted average number of equity shares		
- Basic	15,087,938	15,087,938
- Diluted	15,087,938	15,087,938
Earnings per share (in ₹) (face value - ₹ 10 each)		
- Basic	31.38	41.83
- Diluted	31.38	41.83

	As at	
	March 31, 2026	March 31, 2025
34 Contingent liabilities and Commitments		
Contingent Liabilities		
(a) Income tax matters not acknowledged as debt(amount paid under protest ₹ 60 Lakhs (Previous year:₹57 Lakhs))	758	518
(b) Bank Guarantees and LC given	3,223	2,674
	3,980	3,192

	As at	
	March 31, 2026	March 31, 2025
35 Leases		
Lease rent expenses	31	64

36 Segment Reporting

Basis of Segmentation:

Factors used to identify the reportable segments:

The Group has followed business segments, which are its reportable segments. The segments offer different products and services, and are managed separately because they require different technology and production processes.

Reportable Segment	Operation
Green Products	Water Soluble Film, Bio-compostable Products & Other Green Products
Hightech Products	Anti-Counterfeit Products, IPRs and other Hightech Products

Operating segment disclosures are consistent with the information provided to and reviewed by the Chief operating decision maker

The measurement principles of segment are consistent with those used in Material Accounting Policies.

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

S. No.	Particulars	For the year ended	
		March 31, 2026	March 31, 2025
I	**Segment Revenue**		
	Green Products	3,690	2,428
	Hightech Products	16,361	21,907
	Total Segment Revenue	**20,051**	**24,335**
II	**Segment Result**		
	Green Products	1,269	463
	Hightech Products	6,029	9,030
	Total Segment Result	**7,298**	**9,492**
	Unallocated corporate income net of unallocated expenses	(764)	(872)
	Profit before interest and taxation	**6,534**	**8,620**
	Interest expenses	38	21
	Profit before tax	**6,496**	**8,600**
	Current Tax	1,744	2,340
	Adjustment of tax relating to earlier periods (net)	56	12
	Deferred Tax	(43)	(53)
	Profit after tax	**4,739**	**6,301**
	Other Comprehensive Income	478	128
	Net Comprehensive Income	**5,217**	**6,429**
III	**Segment Assets**		
	Green Products	2,102	1,692
	Hightech Products	6,638	6,002
	Total Segment Assets	**8,740**	**7,693**
	Unallocated Corporate Assets	16,841	13,147
	Total Assets	**25,581**	**20,841**
IV	**Segment Liabilities**		
	Green Products	172	405
	Hightech Products	720	849
	Total Segment Liabilities	**892**	**1,254**
	Unallocated Corporate Liabilities	1,068	584
	Total Liabilities	**1,960**	**1,838**
V	**Capital Employed**		
	Green Products	1,930	1,287
	Hightech Products	5,918	5,153
	Unallocated	15,773	12,564

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

37 Micro, Small and Medium Enterprises

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

	As at	
	March 31, 2026	March 31, 2025
The amount remaining unpaid to micro and small suppliers as at the end of the year :		
- Principal	298	211
- Interest	-	2
Amount of interest paid by the Company in terms of Section 16 of the MSMED, along with the amount of payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the delay in making payment (which have been paid but beyond the appointed day during the year) but without adding interest specified under MSMED.	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	2
The 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, 2006	-	-

38 Employee benefit obligations of Group

i) Defined Contribution Plans

Provident Fund: Contribution towards provident fund for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Contribution to Defined Contribution Plans, recognized as expense for the year as under:

	Year ended	
	March 31, 2026	March 31, 2025
Employer's Contribution to Provident Fund	37	34
Employer's Contribution to Employees State Insurance Corporation	1	2

ii) Defined Benefits Plans

Gratuity: The Group provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The fair value of the plan assets of the trust administered by the Group, is deducted from the gross obligation.

The following table sets forth the status of the gratuity plan of the Company, and the amounts recognized in the Balance sheet and Statement of profit and loss.

Funding :

The Group makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the LIC, a funded defined benefit plan for qualifying employees

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

Reconciliation of the net defined benefit obligation:

	Year ended	
	March 31, 2026	**March 31, 2025**
Opening defined benefit obligation	152	128
Benefits paid	(4)	(4)
Benefit Paid Directly by the Employer	-	-
Current service cost	17	12
Interest cost	10	9
Actuarial losses / (gain) recognized in other comprehensive income changes in financial assumptions	(8)	5
experience adjustments	(2)	2
Closing defined benefit obligation	**165**	**152**

Reconciliation of the fair value of plan assets:

	Year ended	
	March 31, 2026	**March 31, 2025**
Opening fair value of plan assets	111	95
Interest Income	8	7
Employer contributions	14	14
Benefits paid	(4)	(4)
Actuarial gains on Plan Assets	(0)	(1)
Closing fair value of plan assets	**129**	**111**

Balance sheet reconciliation

	As at	
	March 31, 2026	**March 31, 2025**
Opening defined benefit obligation	152	128
Opening fair value of plan assets	(111)	(95)
Expenses recognised in profit and loss	20	14
Expenses recognised in Other Comprehensive Income	(10)	8
Employer contributions	(14)	(14)
Net (Asset) / Liability recognised in the Balance Sheet	**36**	**41**

Expenses recognised in profit and loss:

	Year ended	
	March 31, 2026	**March 31, 2025**
Current service cost	17	12
Interest cost	3	2
	20	**14**

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

Remeasurements recognised in other comprehensive income

	Year ended	
	March 31, 2026	**March 31, 2025**
Actuarial (gain)/loss on defined benefit obligation	(10)	7
Return on plan assets excluding interest income	0	1
	(10)	**8**

Analysis of plan assets

	As at	
	March 31, 2026	**March 31, 2025**
Insurer managed funds (%)	100%	100%
Others (%)	0%	0%
	100%	**100%**

Maturity profile of defined benefit obligation

	As at	
	March 31, 2026	**March 31, 2025**
1 Year	10	7
2 to 5 years	75	66
6 to 10 years	42	42
More than 10 years	246	218

Actuarial assumption

Principal actuarial assumption used to determine net periodic benefit cost and benefit obligation at the reporting dates;

	As at	
	March 31, 2026	**March 31, 2025**
Discount Rate (p.a.)	7.40%	6.83%
Salary escalation rate (p.a.)	8.00%	8.00%
Expected rate of return on assets	7.40%	6.83%
Employee turnover	Service < 5 - 10% Service >=5 - 3%	Service < 5 - 10% Service >=5 - 3%
Mortality rate during employment	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Mortality rate after employment	NA	NA

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

Notes :

Salary escalation rate: The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Discount rate: The discount rate is based on the prevailing market yields of Indian government securities for the estimated term of the obligations.

Assumptions regarding future mortality experience are set in accordance with the statistics published by the Life Insurance Corporation of India.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amounts shown below;

	Year ended	
	March 31, 2026	March 31, 2025
Projected Benefit Obligation on Current Assumptions	165	152
Discount Rate: 1% increase	(13)	(12)
Discount Rate: 1% decrease	15	15
Future salary growth: 1% increase	11	11
Future salary growth: 1% decrease	(10)	(10)
Change in Rate of Employee Turnover : 1% Increase	0	(0)
Change in Rate of Employee Turnover : 1% Decrease	(0)	0

iii) Compensated absences

The Company accrues for the compensated absences, a long term employee benefit plan based on the entire available leave balance standing to the credit of the employees at year end. The value of such leave balance eligible for carry forward, is determined by actuarial valuation as at the Balance sheet date and is charged to Statement of profit and loss in the period determined. The provision as at balance sheet dates are as follows:

	As at	
	March 31, 2026	March 31, 2025
Compensated absences liability	77	53

Auctuarial assumption

	As at	
	March 31, 2026	March 31, 2025
Discount rate	7.40%	6.83%
Long–term rate of compensation increase	8.00%	8.00%

Expenses recognised in Statement of Profit and Loss towards compensated absences are ₹ 25 Lakhs (PY ₹10 Lakhs).

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

39 Related party disclosures

a) Related parties and their relationship

Name of Related Party	Relationship
SP Arrow Bio Polymer Products Private Limited	Associate Company
Mr. Shilpan P. Patel - Managing Director Mr. Neil Patel - Joint Managing Director Mr. Hitesh Punglia - Chief Financial Officer Mrs. Poonam Bansal - Company Secretary	Key Management Personnel (KMP)
Mrs. Jigisha S Patel	Non Executive Non Independent Women Director
Mr. Yogesh Harivadan Gajjar (effective from 08/02/2025) Mr. Prashant Sushilchandra Mehta Mrs. Barkharani Harsh Nevatia Mr.Haresh Chhotalal Mehta (till 31/03/2025)	Independent Director
Mrs. Manisha Sindhi	Relative of key management personnel
Arrow Business Advisory Private Limited Grace Paper Industries Private Limited Advance Business Solutions	Enterprises over which Key Management Personnel are able to exercise significant influence

a. The transaction with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and settlement occurs in cash.

b. Managerial remuneration does not include amount in respect of gratuity and leave encashment as the same is not determinable.

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

b) Transaction with Related Parties & Outstanding Balance as on March 31, 2026 and March 31, 2025:

	Transactions for the year ended		Balances receivable/ (payable) as at	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Mr. Shilpan P. Patel				
Rent Expenses	9	17	(1)	(7)
Arrow Business Advisory Pvt. Ltd.				
Rent Expenses	45	16	-	-
Advance Business Solutions				
Purchase of Raw Material	4,169	5,402	34	-
Grace Paper Industries Private Limited				
Rent Expenses	32	8	3	(7)
Remuneration to Key Managerial Personnel & Relatives				
Mr. Shilpan P. Patel - Managing Director	108	108	-	-
Mr. Neil Patel - Joint Managing Director	108	108	-	-
Mr. Hitesh Punglia - Chief Financial Officer	107	91	-	-
Mrs. Poonam Bansal - Company Secretary	19	17	-	-
Director Sitting Fees				
Mr. Haresh Mehta	-	3	-	-
Mr. Yogesh Harivadan Gajjar	3	-	-	-
Mrs. Jigisha Patel	1	2	-	-
Mr. Prashant Sushilchandra Mehta	3	3	-	-
Mrs. Barkharani Harsh Nevatia	2	2	-	-

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

40 Financial Instruments - Accounting Classifications and Fair Value Measurements

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in case of liquidation sale.

The following methods and assumptions were used to estimate the fair values:

Fair value of cash and cash equivalent, bank balances other than cash and cash equivalent, trade receivables, trade payables, other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

"The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

A As at March 31, 2026	Carrying value				Fair value		
	Amortised Cost	FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3
Non Current Financial assets							
Investments	-	19	-	19	-	19	-
Other financial asset	756	-	-	756	-	-	-
	756	**19**	**-**	**775**	**-**	**19**	**-**
Current Financial assets							
Trade Receivables	3,424	-	-	3,424	-	-	-
Investments	-	7,644	-	7,644	7,644	-	-
Cash and cash equivalents	2,679	-	-	2,679	-	-	-
Bank balances other than Cash and cash equivalents	2,621	-	-	2,621	-	-	-
Loans	8	-	-	8	-	-	-
Other financial assets	34	-	-	34	-	-	-
	8,766	**7,644**	**-**	**16,410**	**7,644**	**-**	**-**
Total	**9,522**	**7,663**	**-**	**17,185**	**7,644**	**19**	**-**
Non Current Financial liabilities							
Lease Liabilities	159	-	-	159	-	-	-
Total	**159**	**-**	**-**	**159**	**-**	**-**	**-**
Current Financial liabilities							
Trade payables	560	-	-	560	-	-	-
Other financial liabilities	383	-	-	383	-	-	-
Lease Liabilities	67	-	-	67	-	-	-
Total	**1,010**	**-**	**-**	**1,010**	**-**	**-**	**-**
	1,169	**-**	**-**	**1,169**	**-**	**-**	**-**

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

Financial Instruments - Accounting Classifications and Fair Value Measurements

B As at March 31, 2025	Carrying value				Fair value		
	Amortised Cost	FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3
Non Current Financial assets							
Investments	-	17	-	17	-	17	-
Other financial asset	604	-	-	604	-	-	-
	604	**17**	**-**	**621**	**-**	**17**	**-**
Current Financial assets							
Trade Receivables	2,931	-	-	2,931	-	-	-
Investments	-	4,537	-	4,537	4,537	-	-
Cash and cash equivalents	1,669	-	-	1,669	-	-	-
Bank balances other than Cash and cash equivalents	2,911	-	-	2,911	-	-	-
Loans	16	-	-	16	-	-	-
Other financial assets	35	-	-	35	-	-	-
	7,562	**4,537**	**-**	**12,099**	**4,537**	**-**	**-**
Total	**8,166**	**4,554**	**-**	**12,720**	**4,537**	**17**	**-**
Non Current Financial liabilities							
Lease Liabilities	52	-	-	52	-	-	-
Total	**52**	**-**	**-**	**52**	**-**	**-**	**-**
Current Financial liabilities							
Trade payables	890	-	-	890	-	-	-
Other financial liabilities	437	-	-	437	-	-	-
Lease Liabilities	15	-	-	15	-	-	-
Total	**1,342**	**-**	**-**	**1,342**	**-**	**-**	**-**
	1,394	**-**	**-**	**1,394**	**-**	**-**	**-**

During the reporting year ended March 31, 2026 and March 31, 2025, there was no transfer between level 2 and level 3 fair value measurements.

41 Financial risk management

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

- Credit risk;
- Liquidity risk; and
- Market risk"

The Holding Company's Board of Directors has overall responsibility for the establishment and oversight of the group's risk management framework. The board of directors is responsible for developing and monitoring the group's risk management policies. The committee reports to the board of directors on its activities.

The group's risk management policies are established to identify and analyse the risks faced by the group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the group's activities. The group, through its training, standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the group. The audit committee is assisted in its oversight role by internal auditor. Internal auditor undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

i) Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Group periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period. To assess whether there is a significant increase in credit risk that group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business,
ii) Actual or expected significant changes in the operating results of the counterparty,
iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations, and
iv) Significant increases in credit risk on other financial instruments of the same counterparty.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the group. Where receivables have been written off, the group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in Statement of Profit and Loss.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. Credit terms are in line with industry trends.

Summary of the group's exposure to credit risk by age of the outstanding from various customers is as follows:

	As at	
	March 31, 2026	**March 31, 2025**
Less than 180 days	3,432	2,830
From 181 - 365 days	4	50
More than 365 days	45	129
Total	**3,481**	**3,009**
Less : Impairment allowance	57	78
Total	**3,424**	**2,931**

Expected credit loss assessment for customers as at March 31, 2025 and March 31, 2026

Exposures to customers outstanding at the end of each reporting period are reviewed by the group to determine credit losses. Given that the macro economic indicators affecting customers of the group have not undergone any substantial change, the group expects the historical trend of minimal credit losses to continue.

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows

	Amount
Balance as at April 1, 2024	**77**
Impairment loss recognised	1
Amounts written off / written back	-
Balance as at March 31, 2025	**78**
Impairment loss recognised	(21)
Amounts written off / written back	-
Balance as at March 31, 2026	**57**

Cash and bank balance

The Group held cash and bank balance with credit worthy banks and financial institutions of ₹ 5,975 lakhs and ₹ 5,094 lakhs as at March 31, 2026 and March 31, 2025 respectively. The credit worthiness of such banks and financial institutions is evaluated by the management on an on-going basis and is considered to be good.

ii) Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time. The group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the group's net liquidity position through rolling forecast on the basis of expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

	As at March 31, 2026			As at March 31, 2025		
	Carrying amount	Less than 1 year	1 to 4 years	Carrying amount	Less than 1 year	1 to 4 years
Trade payables	560	560	-	890	890	-
Lease Liability	226	67	159	67	15	52
Other financial liabilities	383	383	-	437	437	-
Bank Guarantee and LC given	-	292	2,931	-	526	2,148

iii) Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables and payables.

The Group manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures and ensuring compliance with market risk limits and policies.

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

a) Foreign currency risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk. The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

Foreign currency exposure	US$	EUR	GBP	CHF	Total
March 31, 2026					
Financial assets					
Investments	-	-	19	-	19
Trade receivables	409	140	265	-	813
Cash and cash equivalents	4	878	123	1	1,006
Net exposure to foreign currency risk (assets)	**413**	**1,018**	**407**	**1**	**1,838**
Financial Liabilities					
Trade payables	28	2	185	7	222
Trade payables for capitlal Goods	-	15	201	-	216
Net exposure to foreign currency risk (liabilities)	**28**	**17**	**386**	**7**	**438**
Rupee Conversion Rate	**94.65**	**109.01**	**125.63**	**117.91**	
March 31, 2025					
Financial assets					
Investments	-	-	17	-	17
Trade receivables	-	470	90	-	560
Cash and cash equivalents	4	846	203	1	1,053
Net exposure to foreign currency risk (assets)	**4**	**1,316**	**310**	**1**	**1,631**
Financial Liabilities					
Trade payables	198	153	150	6	507
Trade payables for capitlal Goods	-	41	177	-	218
Net exposure to foreign currency risk (liabilities)	**198**	**194**	**328**	**6**	**726**
Rupee Conversion Rate	**85.58**	**92.32**	**110.74**	**97.04**	

41 Financial risk management

The table below demonstrates sensitivity impact on profit after tax and total equity due to change in foreign exchange rates of currencies where it has significant exposure:

Foreign currency	March 31, 2026		March 31, 2025	
	1% Increase	1% Decrease	1% Increase	1% Decrease
US$	3.85	(3.85)	(1.94)	1.94
EUR	10.02	(10.02)	11.22	(11.22)
GBP	0.20	(0.20)	(0.18)	0.18
CHF	(0.06)	0.06	(0.05)	0.05

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates.

The Group does not have any long term borrowings as at March 31, 2026 and March 31, 2025. Therefore interest rate risk as defined in Ind AS 107 is not applicable to the Group.

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

Interest rate risk exposure

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

	As at	
	March 31, 2026	**March 31, 2025**
Variable rate borrowings	-	-
Fixed rate borrowings	-	-
Total borrowings	**-**	**-**

42 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to safeguard the Group's ability to remain as a going concern and maximise the shareholder value. The Group manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans, long term and other strategic plans and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust its dividend payment ratio to shareholders, return capital to shareholders or issue fresh shares. The Group monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity including share premium and all other equity reserves attributable to the equity share holders.

The Group's adjusted net debt to equity ratio are as follows.

Particulars	March 31, 2026	March 31, 2025
Borrowings	-	-
Less: Cash and cash equivalents	(2,679)	(1,669)
Adjusted net debt	(2,679)	(1,669)
Total Equity	**23,439**	**18,826**
Adjusted net debt to equity ratio	**(0.11)**	**(0.09)**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital of the Group during the current and previous year.

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

43 Additional Information as required by Para 2 of the General Instructions for the preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

A) Subsidiaries

The Group's subsidiaries as at March 31, 2026 and March 31, 2025 are set out below. Unless otherwise stated, they have share capital that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of the entity	Principal place of business/ country of incorporation	Ownership interest held by the group		Proportion of ownership of Interest by non-controlling interests		Principal activities
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	
		%	%	%	%	
Arrow Green Technologies (UK) Limited	United Kingdom	100	100	-	-	Intellectual Property and Intellectual Property based products
Advance IP Technologies Limited	United Kingdom	95	95	5	5	Intellectual Property and Intellectual Property based products
Advance Secure Products B.V.	The Netherlands	100	100	-	-	Dealing in hightech products and services
Avery Pharmaceuticals Private Limited	India	99.65	99.65	0.35	0.35	Pharmaceuticals products
LQ Arrow Security Products (India) Private Limited	India	51	51	49	49	Security based products
Arrow Secure Technology Private Limited	India	100	100	-	-	Security based products

B) Non-controlling interests (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations

Summarised Balance Sheet	LQ Arrow Security Products (India) Private Limited (49%)		Advance IP Technologies Limited (5%)		Avery Pharmaceuticals Private Limited (0.35%)	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Current assets	69	66	933	860	310	323
Current liabilities	4	6	7	145	80	82
Net current assets	**65**	**60**	**926**	**715**	**230**	**241**
Non Current assets	23	22	47	111	1,642	1,772
Non Current liabilities	-	-	-	-	680	461
Net non-current assets	23	22	47	111	961	1311
Net assets	**88**	**81**	**973**	**826**	**1,191**	**1,553**
Accumulated NCI	**45**	**40**	**142**	**141**	**(5)**	**(3)**

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

Summarised Statement of Profit and Loss	LQ Arrow Security Products (India) Private Limited (49%)		Advance IP Technologies Limited (5%)		Avery Pharmaceuticals Private Limited (0.35%)	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Revenue	58	51	336	513	370	182
Profit/(Loss) for the year	6	2	34	(218)	(361)	(474)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	**6**	**2**	**34**	**(218)**	**(361)**	**(474)**
Total Comprehensive Income allocated to NCI	3	1	2	(11)	(1)	(2)

Summarised cash flows	LQ Arrow Security Products (India) Private Limited (49%)		Advance IP Technologies Limited (5%)		Avery Pharmaceuticals Private Limited (0.35%)	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Cash flows from operating activities	(14)	(5)	(79)	(160)	(204)	(300)
Cash flows from investing activities	4	5	-	0	(22)	(4)
Cash flows from financing activities	-	-	-	-	175	330
Net increase/(decrease) in cash and cash equivalents	**(10)**	**(1)**	**(79)**	**(160)**	**(50)**	**26**

C) Transactions with non- controlling interests

There are no transaction with non controlling interest in FY 2025-26 and FY 2024-25.

D) Interests in associates

Set out below are associates of the group as at March 31, 2026 which in the opinion of directors are not material to the group. The entities listed below have share capital consisting solely of equity shares which are directly held by the group.

Name of the entity	Principal place of business	% of ownership interest	Quoted fair value		Carrying amount	
			March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
SP Arrow Bio Polymer Products Private Limited	India	46	-*	-*	-	-

* Unlisted entity- no quoted price available.

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

44 Additional information as required by Part III of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013.

March 31, 2026	Net assets, i.e., total assets minus total liabilities		Share of profit		Share of Other Comprehensive income		Share of Total Comprehensive income	
	Amount	As % of consolidated net asset	Amount	As % of consolidated profit or loss	Amount	As % of consolidated Comprehensive income	Amount	As % of consolidated total Comprehensive income
Arrow Greentech Limited	22,123	94%	4,249	90%	7	2%	4,256	82%
Arrow Green Technologies (UK) Limited (consolidated)	3,997	17%	796	17%	-	0%	796	15%
Arrow Secure Technology Private Limited	(1)	0%	(0)	0%	-	0%	(0)	0%
Avery Pharmaceuticals Private Limited	1,191	5%	(361)	-8%	-	0%	(361)	-7%
LQ Arrow Security Products (India) Private Limited	88	0%	6	0%	-	0%	6	0%
Consolidation Adjustments	(3,960)	-17%	46	1%	471	98%	517	10%
Non Controlling Interest in all subsidiaries	182	1%	4	0%	-	0%	4	0%
Total	**23,621**	**100%**	**4,739**	**100%**	**478**	**100%**	**5,217**	**100%**

March 31, 2025	Net assets, i.e., total assets minus total liabilities		Share of profit		Share of Other Comprehensive income		Share of Total Comprehensive income	
	Amount	As % of consolidated net asset	Amount	As % of consolidated profit or loss	Amount	As % of consolidated Comprehensive income	Amount	As % of consolidated total Comprehensive income
Arrow Greentech Limited	18,470	97%	6,190	98%	(6)	-4%	6,184	96%
Arrow Green Technologies (UK) Limited (consolidated)	2,729	14%	524	8%	-	0%	524	8%
Arrow Secure Technology Private Limited	(0)	0%	(0)	0%	-	0%	(0)	0%
Avery Pharmaceuticals Private Limited	1,553	8%	(474)	-8%	-	0%	(474)	-7%
LQ Arrow Security Products (India) Private Limited	82	0%	2	0%	-	0%	2	0%
Consolidation Adjustments	(4,007)	-21%	71	1%	134	104%	205	3%
Non Controlling Interest in all subsidiaries	178	1%	(12)	0%	-	0%	(12)	0%
Total	**19,004**	**100%**	**6,301**	**100%**	**128**	**100%**	**6,429**	**100%**

45 Statement of Preferential issue proceeds

The Holding Company had issued and allotted, on preferential basis 10,00,000 equity shares of face value of ₹ 10 each at a price of ₹108 (including securities premium of ₹ 98 per equity share) to promoter and non-promoter group on November 30, 2022. The object of this preferential issue is to utilize the proceeds to meet working capital requirement and expansion of business, general corporate purpose and such other purpose as the Board may decide from time to time. Utilisation of these proceeds is summarised as follows:-

Particulars	Amount (₹ in Lakhs)
Total Fund raised from Issue of Preferential Equity Shares	1,080
Less : Utilised for Working Capital	480
Less : Purchase of Industrial Land at Gujrat Industrial Development Corporation Dahej	464
Less: Purchase of Machinery and assets	136
Unutilised as on March 31, 2025	**-**

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

46 Salient features of Financial Statements of Subsidiaries/Associate as per Companies Act, 2013

Part A:Subsidiaries

Name of Subsidiary Company	Reporting currency & Eq. in ₹	Share capital	Reserve and surplus	Total Assets	Total Liabilities	Investment	Turnover / Total Income	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	% of shareholding
Arrow Green Technologies (UK) Limited	INR	25	1,822	1,882	34	699	318	177	-	177	-	100.00
	GBP	0.20	15	15	0	6	3	1	-	1	-	
Advance IP Technologies Limited	INR	1	972	980	7	19	336	34	-	34	-	95.00
	GBP	0.01	8	8	0	0	3	0	-	0	-	
Advance Secure Products B.V.	INR	11	1,480	2,100	610	-	3,962	1,043	264	778	205	100.00
	GBP	0.09	12	17	5	-	33	9	2	7	1.73	
Arrow Secure Technology Private Limited	INR	43	(44)	0	1	0	-	(0)	0	(0)	-	100.00
Avery Pharmaceuticals Private Limited	INR	71.45	1,120	1,952	760	0	370	(397)	(35)	(361)	-	99.65
LQ Arrow Security Products (India) Private Limited	INR	75	13	92	4	23	58	8	0	8	-	51.00

* Amount in GBP in lakhs.

Exchange rates	INR	GBP
31-Mar-26	Avg. Rate	118.41
	Closing Rate	125.63

Part B: Associate

Statement pursuant to Section 129(3) of the Act related to associate company

Name of Associate Company	Last audited Balance Sheet date	Share of associate held by the Company on the year end			Net worth attributable to share holding as per the latest audited Balance Sheet	Profit / Loss for the year		Description of how there is significant influence	Reason why associate is not consolidated
		Nos.	Amount of investment in associate	Extent of holding (%)		Considered in consolidation	Not Considered in consolidation		
SP Arrow Bio Polymer Products Private Limited	31-Mar-26	4,600	46	46%	(56)	-	(0)	Refer note 1	Refer note 2

Notes
1. Significant influence due to percentage of holding.
2. Because the company does not have more than 51% shareholding directly or indirectly, i.e. no controlling interest.

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

47 Loans

A Loans and advances in the nature of loans given by the Holding Company to Subsidiaries and Associates (pursuant to Clause 32 of the Listing Agreement with Stock Exchanges):

(₹ in Lakhs)

Name of the Company	Relationship	Balance		Maximum Balance	
		March 31, 2026	March 31, 2025	2025-2026	2024-2025
Avery Pharmaceuticals Private Limited	Direct Subsidiary	639	409	639	422

Loan to Avery Pharmaceuticals Private Limited	639
Allowance for doubtful Loans	(15)
Loan to Avery Pharmaceuticals Pvt. Limited (Net of Provision)	**624**

Notes:

i) The Interest rate for Loan is 9.80% p.a. (Previous Year 9.80% p.a).

ii) There are no other loans and advances in the nature of loans where there is no repayment schedule.

iii) Above figures are including accrued interest.

B DISCLOSURE AS PER SECTION 186 OF THE COMPANIES ACT, 2013

The details of loans, guarantees and investments by the Holding Company under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

(i) Details of Investments made are given in Note 5 and 5A

(ii) Details of loans given by the Company are as follows:

Name of the Company	As At March 31, 2026	As At March 31, 2025	Maximum balance outstanding during the year	Purpose / utilisation by the borrower	Terms and conditions
Avery Pharmaceuticals Private Limited	639	409	639	To Set up Pharmaceutical factory to manufacture Mouth Dissolving Strips & working capital requirement	Loan is repayable on demand and the interest rate is 9.80% p.a. (Previous Year 9.80% p.a)

Note:

a) The above figures are including accrued interest.

b) Loans given to employees as per the Company's policy are not considered for the purposes of disclosure under Section 186 (4) of the Act.

c) There are no guarantees issued by the Company in accordance with section 186 of the Companies Act, 2013 read with rules issued thereunder.

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

48 Financial Ratio

Ratio / Measure	Methodology	March 31, 2026	March 31, 2025	% Change
(a) Current ratio[1]	Current assets over current liabilities	13.71	10.33	32.6%
(b) Return on Equity ratio[2]	PAT over total average equity	22.24%	39.53%	-43.7%
(c) Inventory turnover ratio[3]	Sales over average inventory	91.02	69.19	31.6%
(d) Trade Receivables turnover ratio[4]	Revenue from operations over average trade receivables	6.31	7.91	-20.2%
(e) Trade Payables turnover ratio[5]	Net Purchases over average trade payables	13.20	15.89	-16.9%
(f) Net capital turnover ratio[6]	Revenue from operations over working capital	1.09	1.77	-38.3%
(g) Net profit ratio[6]	Net profit over revenue	23.64%	25.89%	-8.7%
(h) Return on Capital employed[6]	PBIT over capital employed	30.90%	49.15%	-37.1%
(I) Return on investment[7]	Interest income, net gain on sale of investments and fair value gain over average investments	7.09%	10.52%	-32.6%

Explanation for variance :

1 Current ratio: Increase in current ratio is mainly on account of increase in current assets as compared to the preceeding year.

2 Return on Equity ratio: PAT has gone down significantly due to decrease in turnover of the Company, which has resulted in decrease in ratio.

3 Inventory Turnover Ratio: Though the Cost of Goods sold has gone down, the Inventory level is more or less the same as last year. Hence the Inventory turnover ratio has increased.

4 Trade Receivable Turnover Ratio: Movement is mainly on account of decreased sales vis-a vis increased average trade Receivables compared to the comparable period.

5 Trade Payable Turnover Ratio: It has gone down as average trade payables has increased but not the Credit Purchases due to decreased sales.

6 Net Capital Turnover Ratio, Net profit ratio & Return on Capital Employed: The Turnover & consequently the profits & returns have gone down in the current year resulting in lower respective ratios.

7 Return on investment: The ratio is comparatively lower mainly on account of decreased income from average investments as compared to the comparable period.

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

49 Additional regulatory information required by Schedule III to the Companies Act, 2013

(i) The Group does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) The Group has not traded or invested in Crypto currency or Virtual Currency during the year.

(iii) The Group has not come across any transaction ocurred with struck-off companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

(iv) The Group has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

(v) The Group does not have any charges or satisfaction of charges which is yet to be registered with the Registrar of the Companies beyond the statutory period.

(vi) Utilization of borrowed funds and share premium :

(I) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Company (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

(II) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Holding Company and its Indian Subsidiaries shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

(vii) There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.

(viii) The Group has not revalued its Property, Plant and Equipment during the year.

(ix) The Group has not revalued its intangible assets during the year.

(x) The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021. The said proviso requires companies, which uses accounting software for maintaining its books of accounts, to use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of accounts along with the dates when such changes were made and ensuring that the audit trail cannot be disabled.

Further, for the accounting softwares used by the Holding Company, its Indian Subsidiaries and associates during the year ended March 31, 2026, audit trail (edit log) facility was enabled and operated throughout the year. There were no instances of the audit trail feature being tampered .

Further, the audit trail has been preserved by the holding Company as per the statutory requirements for record retention except for the audit trail of the previous year, which has been preserved by the holding Company as per the statutory requirements for record retention to the extent it was enabled and recorded in previous year.

(xi) The Holding Company, its Indian Subsidiaries and Associates uses software applications to maintain its books of accounts and other books and papers in electronic mode ("Electronic records"). During the year, the Holding Company, its Indian Subsidiaries and Associates has maintained backups of these electronic records on server physically located in India on daily basis, as required by Companies (Accounts) Rules, 2014 (as amended).

50 The Group has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year-end, the Company has reviewed all such contracts and confirmed that no provision is required to be created under any law / accounting standard towards any foreseeable loss.

Notes to the Consolidated financial statements for the year ended March 31, 2026

(All amounts in Indian rupees in lakhs unless otherwise stated)

51 The Government of India has consolidated 29 existing labour legislations into a unified framework comprising four labour codes viz the Code on Wages, 2019, the Code on Social Security, 2020, the Industrial Relations Code, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as the "Labour Codes"). The Labour Codes have been made effective from November 21, 2025. The Ministry of Labour & Employment published Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations.

The Group has evaluated the impact of the Labour Codes on the basis of information currently available. Management has assessed that the incremental impact, if any, of these changes is not material given that the current salary structure of the Group is in line with the requirements of the Labour Codes. The Group continues to monitor the finalisation of State Rules and clarifications from the Government on other aspects of the Labour Codes and would make appropriate adjustments, if needed. The Group does not have Fixed Term Employees.

52 Figures for the previous year have been re-grouped/re-arranged wherever necessary to conform current period's classification.

53 There are no significant subsequent events that would require adjustments or disclosures in the consolidated financial statements as on the balance sheet date.

54 The Board of Directors of the Holding Company have recommended a dividend of ₹ 5/- per Equity Share of ₹ 10/- each (50%) for the year ended March 31, 2026, which is subject to approval of shareholders in ensuing Annual General Meeting.

55 The Consolidated financial statements are approved for issue by the Audit Committee and the Board of Directors of the Holding Company on May 22, 2026.

As Per our report of even date

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

For and on behalf of the Board of Directors of
Arrow Greentech Limited
CIN : L21010MH1992PLC069281

Himanshu Goradia
Partner
Membership No: 045668

Shilpan Patel
Managing Director
DIN No : 00341068

Neil Patel
Joint Managing Director
DIN No : 00607101

Place : Mumbai
Date : May 22, 2026

Hitesh Punglia
Chief Financial Officer

Poonam Bansal
Company Secretary

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WATERSOL™

Sustainable Horizons, Infinite Possibilities

ARROW GREENTECH LTD.

Sustainable Packaging for a Cleaner Tomorrow

In FY2025-26, WATERSOL™ continued to lead innovation in eco-conscious packaging through its proprietary water-soluble PVA film technology. Designed to dissolve completely in water, these films offer a compelling alternative to conventional plastics, supporting both environmental goals and operational efficiency.

- Safety First: Non-toxic and skin-safe, enabling secure use across consumer and industrial sectors.
- Environmental Impact: Fully biodegradable, contributing to reduced plastic waste and improved sustainability metrics.
- Efficiency Gains: Streamlined packaging processes that reduce handling time and resource consumption.

WATERSOL™ aligns with our broader commitment to responsible innovation and circular economy principles. As global demand for sustainable solutions grows, WATERSOL™ positions us at the forefront of environmentally responsible packaging & its industrial use cases.

Expanding Applications of Water-Soluble Film Technology

Our water-soluble PVA film technology continued to gain traction across diverse packaging and industrial sectors. Its unique ability to dissolve completely in water without leaving residue has positioned it as a transformative solution for both environmental and operational challenges.

Key Application Areas:

Sector	Strategic Benefit
Agrochemicals	Enables safe, precise dosing and handling
Water Treatment Chemicals	Supports eco-friendly disposal and reduced contamination
Dyes & Pigments	Facilitates controlled dosing and clean dissolution
Toilet Blocks	Enhances controlled release, hygiene and user convenience
Bio Enzymes	Offers sustainable, biodegradable packaging options
Cleaning Chemicals & Detergents	Delivers residue-free, efficient usage
Construction Chemicals	Provides robust, reliable packaging for demanding environments

These applications reflect our commitment to delivering innovative, sustainable solutions that meet the evolving needs of industries while advancing our environmental stewardship goals.

AVERY PHARMACEUTICALS PVT. LTD.

ARROW GREENTECH LTD.

Dedicated To Innovation

MDS is suitable for

Geriatric

Pediatric

Bed-ridden

Mucositis

Dysphagia

Veterinary

Innovation Spotlight: Mouth Dissolving Strips (MDS)

As part of our commitment to advancing patient-centric solutions, our subsidiary has pioneered the development of Mouth Dissolving Strips (MDS) – a next-generation drug delivery system designed for rapid efficacy and enhanced convenience.

These ultra-thin films dissolve instantly upon contact with saliva, eliminating the need for water and offering a discreet, portable alternative to traditional dosage forms. Compared to tablets, capsules, chewables, and liquid formulations, MDS ensures faster release of active pharmaceutical ingredients (API), improving onset of action and patient compliance.

This innovation reflects our strategic focus on formulation excellence through cutting-edge R&D, accessibility and ease-of-use for diverse patient populations and market differentiation in both pharmaceutical and nutraceutical segments.

Advantages Of MDS

- Dissolves instantly on contact with saliva
- Provides rapid onset of action for faster relief
- Enhances bioavailability for better absorption
- Requires no chewing or swallowing effort
- Eliminates the risk of choking
- Lightweight and compact for easy portability
- Delivers faster action than tablets, capsules, or liquids
- Ensures an easy and painless delivery method
- Offers pleasant taste with added flavours
- Suitable for all types of patients

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Production Unit (Ankleshwar)

Production Unit (Sanand)

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