Independent Auditors' Report

Members of Adley Lab Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone Ind-AS financial statements of Adley Lab Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone Ind-AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind-AS) specified 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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind-AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind-AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit of the standalone Ind-AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind-AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind-AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by

the Company's Directors, as well as evaluating the overall presentation of the standalone Ind-AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone Ind-AS financial statements give the information required by the Act in the manner so required and give a true and fair view inconformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ('the Order') issued by the Central Government of India in terms of subsection(11) of Section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 purpose 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, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
d. In our opinion, the aforesaid standalone Ind-AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
e. On the basis of 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 over financial reporting of the Company and the operating effectiveness of such controls, refers to our separate Report in "**Annexure B**";
g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2020, in our opinion and to the best of our information and according to the explanations given to us:
i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
iii. There has been no amount available which is required to be transferred to the Investor Education and Protection Fund by the Company;
iv. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has 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 the audit trail feature being tampered with.

For KALRA RAI & ASSOCIATES

Chartered Accountants

Place:- Chandigarh
Date: 14/05/2026
UDIN: 26087438WNPXBW9011

Sd/-
(Lajpat Rai Kalra)
Partner
M. No- 087438
FRN: 008859N

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Annexure 1 referred to in paragraph 1 of our report of even date

Re: Adley Lab Limited ('the Company')

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. In respect of the Company’s Property, Plant and Equipment and Intangible Assets:

(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) The Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties, disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

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

ii. (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals, except goods-in-transit. The coverage and procedure adopted by the Management is appropriate according to the size and scale of the Company. No discrepancies of 10% or more were observed in any class of inventories.

(b) The Company has been previously sanctioned working capital limits of Rs. 5 crore, in aggregate, from banks or financial institutions and the monthly statements filed by the Company with such banks or financial institutions are in agreement with the books of accounts of the Company.

iii. (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.

(b) The company has not made any investments, or provided any guarantees, loans or advances. Hence, clause 3(iii)(b) is not applicable.

(c) The company has not provided any loans and hence, clause 3(iii)(c) is not applicable.

(d) The company has not granted any loans and hence, clause 3(iii)(d) is not applicable.

(e) The company has not granted any loan and hence, clause 3(iii)(e) is not applicable. .

(f) The Company has not granted any loans or advances Hence, reporting under clause 3(iii)(f) is not applicable.

iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

vii. In respect of statutory dues:

(a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees" State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities except the company was in default in payment of advance tax. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees" State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2026 for a period of more than six months from the date they became payable.

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a)The Company has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
(c) According to the explanations provided by the Company and overall examination of the financial statements of the Company, the term loans were prima facie applied for the purpose for which they were obtained.
(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
(e) On an overall examination of the 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.
(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable.

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) The Company has not received any whistle-blower complaints during the year.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

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

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) (c) and (d) of the Order is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. 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 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 causes us to believe that any material uncertainty exists as on the date of the audit report indicating that 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 the 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.

xx. The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of paragraph 3 of the order is not applicable for the year.

For KALRA RAI & ASSOCIATES

Chartered Accountants

Place:- Chandigarh
Date: 14/05/2026
UDIN: 26087438WNPXBW9011

Sd/-
(Lajpat Rai Kalra)
Partner
M. No- 087438
FRN: 008859N

Referred to in Paragraph 7 of Our Report of Even Date

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Adley Lab Limited** ("the Company") as of 31 March 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For KALRA RAI & ASSOCIATES

Chartered Accountants

Place:- Chandigarh
Date: 14/05/2026
UDIN: 26087438WNPXBW9011

Sd/-
(Lajpat Rai Kalra)
Partner
M. No- 087438
FRN: 008859N

BALANCE SHEET AS AT 31ST MARCH, 2026

(All amounts in Rs. Lacs, unless otherwise stated)

Particulars	Note	As at 31 March 2026	As at 31 March 2025
A. ASSETS			
1 Non-current assets			
Property, Plant and Equipment	1	2,295.93	1,201.94
Intangible assets	1	30.84	14.79
Capital work-in-progress	1	–	–
Financial assets			
– Investments		–	–
– Loans		–	–
– Other financial assets	2	207.52	26.65
Deferred tax assets (net)	3	35.63	24.82
Other non-current assets	4	20.13	–
Total non-current assets		**2,590.04**	**1,268.20**
2 Current assets			
Inventories	5	1,822.47	1,546.04
Financial assets			
– Trade receivables	6	4,094.03	2,699.29
– Cash and cash equivalents	7(a)	237.19	183.13
– Other financial assets	7(b)	164.90	355.15
Other current assets	8	18.39	12.18
Total current assets		**6,336.97**	**4,795.79**
TOTAL ASSETS		**8,927.01**	**6,064.00**
B. EQUITY AND LIABILITIES			
1 Equity			
Equity share capital	9	175.81	175.81
Other equity	10	3,831.39	2,782.41
Total equity		**4,007.20**	**2,958.22**
2 Non-current liabilities			
Financial liabilities			
– Borrowings	11	1,643.88	374.79
– Other financial liabilities		–	–
Provisions	12	29.13	25.27
Other non-current liabilities	13	24.69	51.62
Total non-current liabilities		**1,697.70**	**451.68**
3 Current liabilities			
Financial liabilities			
– Borrowings	14	365.25	518.91
– Trade payables	15	2,530.11	1,854.78
– Other financial liabilities	16	–	–
Provisions	17	208.24	176.08
Other current liabilities	18	118.52	104.33
Total current liabilities		**3,222.11**	**2,654.10**
TOTAL EQUITY AND LIABILITIES		**8,927.01**	**6,064.00**

See accompanying notes forming part of the financial statements

For KALRA RAI AND ASSOCIATES
Chartered Accountants (FRN: 008859N)
Sd/-
LAJPAT RAI KALRA
Partner
Membership No. 087438
UDIN: 26087438WNPXBW9011
Place: Chandigarh
Date: 14/05/2026

For and on behalf of the Board of Directors

Sd/-
RAHUL BATRA
Director
DIN: 02229234

Sd/-
VARUN BATRA
Director
DIN: 02148383

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2026

(All amounts in Rs. Lacs, unless otherwise stated)

Particulars	Note	Year ended 31 March 2026	Year ended 31 March 2025
I. INCOME			
Revenue from operations (net)	19	8,004.15	6,323.41
Other income	20	18.63	14.82
Total income (I)		**8,022.78**	**6,338.22**
II. EXPENSES			
Cost of materials consumed	21	4,203.54	3,375.38
Purchases of stock-in-trade		–	–
Changes in inventories of finished goods, stock-in-trade and WIP	22	50.62	49.69
Employee benefits expense	23	1,038.50	683.05
Finance costs	24	163.14	98.11
Depreciation and amortisation expense	1	268.00	232.79
Other expenses	25	900.88	614.59
Total expenses (II)		**6,624.67**	**5,053.61**
Profit before exceptional items and tax (I – II)		**1,398.11**	**1,284.61**
Exceptional items		–	–
Profit before tax		**1,398.11**	**1,284.61**
Tax expense			
Current tax		360.55	333.75
Deferred tax		(11.44)	(9.71)
Total tax expense		**349.11**	**324.04**
Profit for the year attributable to owners of the company		**1,049.01**	**960.57**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement gain/(loss) on defined benefit plans		(2.48)	–
Income tax on above		0.62	–
Total other comprehensive income		**(1.85)**	**–**
Total comprehensive income for the year		**1,050.86**	**960.57**
Earnings per equity share (face value Rs. 10 each)			
Basic (Rs.)		59.67	54.64
Diluted (Rs.)		59.67	54.64

See accompanying notes forming part of the financial statements (Note 26)

For KALRA RAI AND ASSOCIATES
Chartered Accountants (FRN: 008859N)
Sd/-
LAJPAT RAI KALRA
Partner
Membership No. 087438
UDIN: 26087438WNPXBW9011
Place: Chandigarh
Date: 14/05/2026

For and on behalf of the Board of Directors

Sd/-
RAHUL BATRA
Director
DIN: 02229234

Sd/-
VARUN BATRA
Director
DIN: 02148383

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

(All amounts in Rs. Lacs, unless otherwise stated)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax and extraordinary items (as per Statement of P&L)	1,398.11	1,284.61
Adjustments for non-cash / non-trade items		
Depreciation & amortisation expense	268.00	232.79
Finance cost	163.14	98.11
Interest received	(13.84)	(4.49)
Other inflows / (outflows) of cash	(323.92)	(223.32)
Operating profit before working capital changes	**1,491.49**	**1,387.70**
Adjusted for: Working capital changes		
(Increase) / decrease in trade receivables	(1,394.74)	(746.05)
Increase / (decrease) in trade payables	675.32	342.67
(Increase) / decrease in inventories	(276.42)	(160.01)
Increase / (decrease) in other current liabilities	14.18	(215.25)
(Increase) / decrease in short-term loans and advances	190.24	(341.25)
(Increase) / decrease in other current assets	(6.21)	33.92
Net working capital changes	**(797.62)**	**(1,085.97)**
Net cash flow from operating activities (A)	**693.87**	**301.72**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(1,378.02)	(358.54)
Interest received	13.84	4.49
Cash used for long-term loans / advances	(201.00)	26.16
Net cash used in investing activities (B)	**(1,565.18)**	**(327.88)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Finance cost	(163.14)	(98.11)
Increase / (decrease) in short-term borrowings	(153.66)	309.90
Increase / (repayment) of long-term borrowings	1,269.09	(60.88)
Increase / (repayment) of other long-term liabilities	(26.94)	(0.45)
Increase / (decrease) in share capital	–	–
Other inflows / (outflows) of cash	–	–
Net cash generated from financing activities (C)	**925.36**	**150.47**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**54.05**	**124.30**
Cash and cash equivalents at the beginning of the period	183.13	58.83
Cash and cash equivalents at the end of the period	237.19	183.13
Net increase / (decrease) in cash and cash equivalents	**54.05**	**124.30**

For KALRA RAI AND ASSOCIATES
Chartered Accountants (FRN: 008859N)
In terms of our report attached.
Sd/-
LAJPAT RAI KALRA
Partner
Membership No. 087438
UDIN: 26087438WNPXBW9011
Place: Chandigarh
Date: 14/05/2026

For and on behalf of the Board of Directors

Sd/-
RAHUL BATRA
Director
DIN: 02229234

Sd/-
JAYANT KUMAR
Director
DIN: 02172627

NOTE 1 – PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS

For the year ended 31st March, 2026 (with previous year net block) — Amount in Rs. Lacs

Assets	Life (yrs)	Shift	Gross Block					Accumulated Depreciation / Amortisation				Net Block	
			As at 1 Apr ‘25	Additions	Business acq.	Deletions	As at 31 Mar ‘26	As at 1 Apr ‘25	Provided	Deletions / adj.	As at 31 Mar ‘26	31 Mar ‘26	31 Mar ‘25
A. Property, Plant & Equipment (Owned)													
Land	Single	–	6.05	977.58	–	–	983.63	–	–	–	–	983.63	6.05
Building	30	Single	597.32	78.24	–	–	675.55	244.34	34.98	–	279.32	396.23	352.98
Plant and machinery	15	Single	1,100.46	163.48	–	1.36	1,262.58	503.53	125.97	–	629.50	633.08	596.93
Furniture and fixtures	10	Single	36.91	34.01	–	–	70.92	10.99	9.43	–	20.42	50.50	25.91
Computer	3	Single	24.72	5.64	–	–	30.35	16.95	5.42	–	22.37	7.98	7.77
Electrical equipments	5	Single	127.54	8.52	–	–	136.06	69.53	27.54	–	97.07	38.98	58.00
Lab equipments	10	Single	318.11	41.77	–	–	359.88	165.22	43.74	–	208.96	150.92	152.90
Vehicle	8	Single	1.50	45.61	–	–	47.11	0.10	12.41	–	12.50	34.60	1.40
Total (A)			**2,212.60**	**1,354.84**	**–**	**1.36**	**3,566.08**	**1,010.66**	**259.49**	**–**	**1,270.15**	**2,295.93**	**1,201.94**
Previous year total (A)			1,857.06	357.04	–	1.50	2,212.60	785.26	225.39	28.44	1,010.66	1,201.94	1,071.80
B. Capital Work-in-Progress													
Building / Plant & machinery / Lab equipments			–	–	–	–	–	–	–	–	–	–	–
Total (B)			**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Previous year total (B)			–	–	–	–	–	–	–	–	–	–	–
C. Intangible Assets													
Product registration			37.00	19.05	–	–	56.05	22.21	8.22	–	30.43	25.62	14.79
Software			–	5.50	–	–	5.50	–	0.29	–	0.29	5.21	–
Total (C)			**37.00**	**24.55**	**–**	**–**	**61.55**	**22.21**	**8.51**	**–**	**30.71**	**30.84**	**14.79**
Previous year total (C)			34.00	3.00	–	–	37.00	14.81	7.40	–	22.21	14.79	19.19
Current year total (A + B + C)			**2,249.60**	**1,379.39**	**–**	**1.36**	**3,627.63**	**1,032.86**	**268.00**	**–**	**1,300.86**	**2,326.76**	**1,216.74**
Previous year total			1,891.06	360.04	–	1.50	2,249.60	800.07	232.79	28.44	1,032.86	1,216.74	1,090.99

NOTE 1 – PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS (Comparative)

For the year ended 31st March, 2025 (with previous year net block) — Amount in Rs. Lacs

Assets	Life (yrs)	Shift	Gross Block					Accumulated Depreciation / Amortisation				Net Block	
			As at 1 Apr '24	Additions	Business acq.	Deletions	As at 31 Mar '25	As at 1 Apr '24	Provided	Deletions / adj.	As at 31 Mar '25	31 Mar '25	31 Mar '24
A. Property, Plant & Equipment (Owned)													
Land	Single		6.05	–	–	–	6.05	–	–	–	–	6.05	6.05
Building	30	Single	556.14	41.18	–	–	597.32	208.41	35.93	–	244.34	352.98	347.73
Plant and machinery	15	Single	909.17	192.79	–	1.50	1,100.46	393.79	109.73	–	503.53	596.93	515.38
Furniture and fixtures	10	Single	18.85	18.06	–	–	36.91	7.09	3.90	–	10.99	25.91	11.76
Computer	3	Single	17.83	6.88	–	–	24.72	11.41	5.54	–	16.95	7.77	6.42
Electrical equipments	5	Single	78.32	49.21	–	–	127.54	41.72	27.82	–	69.53	58.00	36.61
Lab equipments	10	Single	270.69	47.42	–	–	318.11	122.84	42.37	–	165.22	152.90	147.85
Vehicle	8	Single	–	1.50	–	–	1.50	0.00	0.10	–	0.10	1.40	(0.00)
Total (A)			**1,857.06**	**357.04**	**–**	**1.50**	**2,212.60**	**785.26**	**225.39**	**–**	**1,010.66**	**1,201.94**	**1,071.80**
Previous year total (A)			1,657.76	239.03	–	39.72	1,857.06	596.38	217.32	28.44	785.26	1,071.80	1,061.38
B. Capital Work-in-Progress													
Total (B)			**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
C. Intangible Assets													
Product registration			34.00	3.00	–	–	37.00	14.81	7.40	–	22.21	14.79	19.19
Total (C)			**34.00**	**3.00**	**–**	**–**	**37.00**	**14.81**	**7.40**	**–**	**22.21**	**14.79**	**19.19**
Previous year total (C)			34.00	–	–	–	34.00	7.99	6.82	–	14.81	19.19	26.01
Current year total (A + B + C)			**1,891.06**	**360.04**	**–**	**1.50**	**2,249.60**	**800.07**	**232.79**	**–**	**1,032.86**	**1,216.74**	**1,090.99**
Previous year total			1,691.76	239.03	–	39.72	1,891.06	604.37	224.14	28.44	800.07	1,090.99	1,087.39

(All amounts in Rs. Lacs, unless otherwise stated)

NOTE 2 – OTHER FINANCIAL ASSETS (NON-CURRENT)

Particulars	As at Year ended 31 Mar 2026	As at Year ended 31 Mar 2025
Security deposit – secured, considered good	26.30	13.99
Advances to capital suppliers	181.22	12.66
Total	**207.52**	**26.65**

NOTE 3 – DEFERRED TAX (NET)

Particulars	As at Year ended 31 Mar 2026	As at Year ended 31 Mar 2025
Deferred tax asset – addition during the year	10.82	9.71
Add: Deferred tax asset – opening balance	24.82	15.11
Net deferred tax asset / (liability)	**35.63**	**24.82**

NOTE 4 – OTHER NON-CURRENT ASSETS

Particulars	As at Year ended 31 Mar 2026	As at Year ended 31 Mar 2025
Pre-operative expenses pending allocation	20.13	–
Total	**20.13**	**–**

NOTE 5 – INVENTORIES (VALUED AT COST OR NRV, WHICHEVER IS LOWER, UNLESS OTHERWISE STATED)

Particulars	As at Year ended 31 Mar 2026	As at Year ended 31 Mar 2025
Finished goods (other than those acquired for trading)	623.69	501.23
Raw material	1,001.81	678.78
Work-in-progress	182.59	355.66
Others	14.38	10.38
Total	**1,822.47**	**1,546.04**

NOTE 6 – TRADE RECEIVABLES

Particulars	As at Year ended 31 Mar 2026	As at Year ended 31 Mar 2025
Outstanding for a period exceeding six months		
Secured, considered good	283.81	438.51
Sub-total	**283.81**	**438.51**
Outstanding for a period less than six months		
Secured, considered good	3,810.22	2,260.78
Sub-total	**3,810.22**	**2,260.78**
Total	**4,094.03**	**2,699.29**

NOTE 7(a) – CASH AND CASH EQUIVALENTS

Particulars	As at Year ended 31 Mar 2026	As at Year ended 31 Mar 2025
Cash on hand		
Cash on hand	0.59	8.32

Particulars	As at Year ended 31 Mar 2026	As at Year ended 31 Mar 2025
Imprest account	1.01	0.36
Icegate wallet	12.72	2.84
Sub-total	**14.32**	**11.52**
Balances with banks		
In current accounts – Credit Card 2002	–	0.03
In current accounts – RBL Card No. 904610	0.53	–
In current accounts – HDFC Bank current account	54.11	0.13
In current accounts – Bank of Baroda	–	0.10
Others – FDRs against bank guarantee	31.01	29.88
Others – FDR with HDFC Bank (no lien)	137.21	141.48
Sub-total	**222.87**	**171.61**
Total	**237.19**	**183.13**

NOTE 7(b) – OTHER FINANCIAL ASSETS (CURRENT)

Particulars	As at Year ended 31 Mar 2026	As at Year ended 31 Mar 2025
Loans and advances to related parties	–	–
Loans and advances to others – advances to suppliers	155.53	25.04
Loans and advances to others – other advances	9.37	330.10
Total	**164.90**	**355.15**

NOTE 8 – OTHER CURRENT ASSETS

Particulars	As at Year ended 31 Mar 2026	As at Year ended 31 Mar 2025
Prepaid expenses	18.39	12.18
Total	**18.39**	**12.18**

NOTE 9 – SHARE CAPITAL

Particulars	As at Year ended 31 Mar 2026	As at Year ended 31 Mar 2025
Authorised: 30,00,000 equity shares of Rs. 10 each	300.00	300.00
Issued: 17,58,050 equity shares of Rs. 10 each	175.81	175.81
Subscribed and fully paid up: 17,58,050 equity shares of Rs. 10 each	175.81	175.81
Subscribed but not fully paid up	–	–
Total	**175.81**	**175.81**

9(a) Reconciliation of number of equity shares outstanding

Particulars	No. of shares 2025-26	Amount (Rs. Lacs)	No. of shares 2024-25	Amount (Rs. Lacs)
Shares outstanding at the beginning of the year	17,58,050	175.81	17,58,050	175.81
Shares issued during the year	–	–	–	–
Shares bought back during the year	–	–	–	–
Shares outstanding at the end of the year	**17,58,050**	**175.81**	**17,58,050**	**175.81**

9(b) Shareholders holding more than 5% of equity shares (both years)

(All amounts in Rs. Lacs, unless otherwise stated)

Name of shareholder	No. of shares held	% of holding
Beta Drugs Limited	17,58,044	99.9997%
Mrs. Neeraj Batra	1	0.0001%
Mr. Varun Batra	1	0.0001%
Mr. Rahul Batra	1	0.0001%
Mrs. Heena Batra	1	0.0001%
Mr. Balwant Singh	1	0.0001%
Mrs. Aditi Batra	1	0.0001%

9(c) Promoters' shareholding at the end of the year

Name of shareholder	Shares 31 Mar 2026	% holding 2025-26	Shares 31 Mar 2025	% holding 2024-25
Mr. Vijay Kumar Batra	1	0.00%	1	0.00%
Mr. Varun Batra	1	0.00%	1	0.00%
Mr. Rahul Batra	1	0.00%	1	0.00%
Mrs. Neeraj Batra	1	0.00%	1	0.00%
Mrs. Heena Batra	1	0.00%	1	0.00%
Mr. Balwant Singh	1	0.00%	1	0.00%
Beta Drugs Limited	17,58,044	100.00%	17,58,044	0.00%
Total	**17,58,050**	**100.00%**	**17,58,050**	**0.00%**

Note: the source data reflects Beta Drugs Limited as the holding company holding substantially the entire equity of Adley Lab Limited, with the remaining six shares held individually by promoter/director family members.

NOTE 10 – RESERVES AND SURPLUS

Particulars	As at Year ended 31 Mar 2026	As at Year ended 31 Mar 2025
Capital reserve – opening and closing balance	–	–
Securities premium account – opening and closing balance	–	–
Surplus in the Statement of Profit and Loss		
Opening balance	2,782.41	1,823.78
Add: Profit for the year	1,050.86	960.57
Less: Prior year provision adjustment	1.88	1.94
Closing balance	**3,831.39**	**2,782.41**
Total	**3,831.39**	**2,782.41**

NOTE 11 – LONG-TERM BORROWINGS

Particulars	As at Year ended 31 Mar 2026	As at Year ended 31 Mar 2025
Term loans from banks (secured)		
SIDBI – term loan	21.89	39.77
HDFC Bank – term loan	588.00	48.82
Axis Bank – term loan	18.14	14.51
Sub-total – secured	**628.03**	**103.10**
Term loans from other parties (unsecured – related parties)		
M/s Beta Drugs Limited (holding company)	1,015.85	271.69
Total – A	**1,015.85**	**271.69**

(All amounts in Rs. Lacs, unless otherwise stated)

Particulars	As at Year ended 31 Mar 2026	As at Year ended 31 Mar 2025
Unsecured – unrelated parties (PCFC / LC / SBLC / buyer's credit)	–	–
Total – B	**–**	**–**
Total – A & B	**1,015.85**	**271.69**
Comprising:		
Secured borrowings	628.03	103.10
Unsecured borrowings	1,015.85	271.69
Total	**1,643.88**	**374.79**

11(a) Maturity profile of long-term borrowings

	31 March 2026			31 March 2025		
	Non-current	Current maturities	Total	Non-current	Current maturities	Total
SIDBI (term loan)	21.89	17.88	39.77	39.77	17.88	57.65
HDFC Bank (term loan)	588.00	62.09	650.09	63.33	55.14	118.47
Axis Bank (term loan)	18.14	7.37	25.51	–	26.50	26.50
Sub-total – secured	**628.03**	**87.34**	**715.37**	**103.10**	**99.51**	**202.62**
M/s Beta Drugs Limited (unsecured, related party)	1,015.85	–	1,015.85	271.69	–	271.69
Total – A	**1,015.85**	**–**	**1,015.85**	**271.69**	**–**	**271.69**
Total – B (unsecured, unrelated)	**–**	**–**	**–**	**–**	**–**	**–**
Grand total	**1,015.85**	**–**	**1,015.85**	**271.69**	**–**	**271.69**
Secured borrowings	628.03	87.34	715.37	103.10	99.51	202.62
Unsecured borrowings	1,015.85	–	1,015.85	271.69	–	271.69
Less: disclosed under “Other current liabilities”	–	(87.34)	(87.34)	–	(99.51)	(99.51)
Total	**1,643.88**	**–**	**1,643.88**	**374.79**	**–**	**374.79**

NOTE 12 – LONG-TERM PROVISIONS

Particulars	As at Year ended 31 Mar 2026	As at Year ended 31 Mar 2025
Provision for gratuity	29.13	25.27
Total	**29.13**	**25.27**

NOTE 13 – OTHER LONG-TERM LIABILITIES

Particulars	As at Year ended 31 Mar 2026	As at Year ended 31 Mar 2025
Payables on purchase of fixed assets	24.69	51.62
Total	**24.69**	**51.62**

NOTE 14 – SHORT-TERM BORROWINGS

Particulars	As at Year ended 31 Mar 2026	As at Year ended 31 Mar 2025
Current maturities of long-term debt	87.34	99.51
HDFC Bank – cash credit account (secured against hypothecation of stock, debtors and movable assets)	277.91	419.39
Total	**365.25**	**518.91**

(All amounts in Rs. Lacs, unless otherwise stated)

NOTE 15 – TRADE PAYABLES

Particulars	As at Year ended 31 Mar 2026	As at Year ended 31 Mar 2025
Total outstanding dues of micro and small enterprises (MSME)	101.13	165.13
Total outstanding dues of creditors other than MSME	2,428.98	1,689.66
Total	**2,530.11**	**1,854.78**

NOTE 16 – OTHER FINANCIAL LIABILITIES

Particulars	As at Year ended 31 Mar 2026	As at Year ended 31 Mar 2025
Cheques issued but not yet presented for payment	–	–
Total	**–**	**–**

NOTE 17 – CURRENT TAX PROVISION (SHORT-TERM PROVISIONS)

Particulars	As at Year ended 31 Mar 2026	As at Year ended 31 Mar 2025
Current year tax	360.55	333.75
Less: Advance tax including TDS	152.31	157.67
Current year net tax provision	**208.24**	**176.08**
Short-term provisions	**208.24**	**176.08**

NOTE 18 – OTHER CURRENT LIABILITIES

Particulars	As at Year ended 31 Mar 2026	As at Year ended 31 Mar 2025
Provident fund payable	5.58	4.58
ESI payable	0.22	0.22
TDS payable	10.45	4.86
GST payable	31.89	36.43
Salary and wages payable	69.36	44.61
Welfare payable	0.22	0.18
Other expenses payable	0.81	13.47
Total	**118.52**	**104.33**

NOTE 19 – REVENUE FROM OPERATIONS (GROSS)

Particulars	As at Year ended 31 Mar 2026	As at Year ended 31 Mar 2025
Domestic sale of products	8,004.15	6,323.41
Export sale	–	–
Total	**8,004.15**	**6,323.41**

NOTE 20 – OTHER INCOME

Particulars	As at Year ended 31 Mar 2026	As at Year ended 31 Mar 2025
Interest income	13.84	4.49

(All amounts in Rs. Lacs, unless otherwise stated)

Particulars	As at Year ended 31 Mar 2026	As at Year ended 31 Mar 2025
Other non-operating income	4.79	10.33
Total	**18.63**	**14.82**

NOTE 21 – COST OF MATERIALS CONSUMED

Particulars	As at Year ended 31 Mar 2026	As at Year ended 31 Mar 2025
Opening stock	689.15	479.46
Add: Purchases	4,530.57	3,585.08
Sub-total	**5,219.72**	**4,064.53**
Less: Closing stock	1,016.19	689.15
Cost of materials consumed	**4,203.54**	**3,375.38**

NOTE 22 – CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particulars	As at Year ended 31 Mar 2026	As at Year ended 31 Mar 2025
Inventories at the end of the year		
Finished goods	623.69	501.23
Work-in-progress	182.59	355.66
Sub-total	**806.28**	**856.89**
Inventories at the beginning of the year		
Finished goods	501.23	495.91
Work-in-progress	355.66	410.67
Sub-total	**856.89**	**906.58**
(Increase) / decrease in inventory		
Finished goods	(122.46)	(5.32)
Work-in-progress	173.07	55.01
Total	**50.62**	**49.69**

NOTE 23 – EMPLOYEE BENEFITS EXPENSE

Particulars	As at Year ended 31 Mar 2026	As at Year ended 31 Mar 2025
Salaries and wages – employees	396.16	139.14
Wages and contract labour	574.97	485.30
Employer's share of ESI	1.93	2.13
Employer's share of PF	31.25	26.12
Welfare fund	0.33	0.28
Staff welfare expenses	15.80	14.71
Gratuity	4.51	4.51
Bonus	13.56	10.87
Total	**1,038.50**	**683.05**

NOTE 24 – FINANCE COSTS

(All amounts in Rs. Lacs, unless otherwise stated)

Particulars	As at Year ended 31 Mar 2026	As at Year ended 31 Mar 2025
Interest expense on borrowings		
Interest on cash credit	31.74	34.15
Interest on term loan	12.25	21.02
Interest on vehicle loan	1.94	–
Interest – others	43.64	13.60
Interest on loan from holding company	65.74	23.04
Other borrowing costs – bank / processing charges	7.82	6.29
Total	**163.14**	**98.11**

NOTE 25 – OTHER EXPENSES

Particulars	As at Year ended 31 Mar 2026	As at Year ended 31 Mar 2025
Consumable stores	135.99	110.65
R & D consumable stores	85.79	16.23
Factory expenses	9.92	10.81
Freight inward	25.04	21.48
Generator running expenses	41.32	29.83
Power & fuel	166.77	153.95
Testing charges	60.67	25.50
Advertisement expenses	–	1.74
Audit fee	1.80	0.75
Business promotion	26.12	5.05
Commission	14.96	60.07
Conveyance expenses	15.55	6.65
Corporate social responsibility expenses	19.49	15.89
Expired & damaged goods return	5.07	–
Foreign exchange loss / (gain)	44.78	–
Conference expenses	–	0.60
Donation expense	0.79	0.77
Freight outward	14.51	11.37
Insurance apportioned cost	21.61	12.10
Legal & professional expenses	45.30	8.54
Office expenses	13.85	8.24
Printing & stationery	13.44	11.61
Rates, fees & taxes	3.96	4.57
Repair & maintenance	124.34	85.17
Round off	0.00	0.01
Software expenses	0.09	0.53
Telephone & postage	1.40	2.01
Trade discount expenses	0.69	(1.07)
Travelling expenses	7.63	11.53
Total	**900.88**	**614.59**

Note 26 (Significant accounting policies) forms part of the audited financial statements but its detailed text was not included in the source document provided and has therefore not been reproduced here.

NOTES TO ACCOUNTS OF STANDALONE FINANCIALS OF M/S ADLEY LAB LIMITED
NOTE '26': SIGNIFICANT ACCOUNTING POLICIES
(Forming part of Accounts)
FOR THE YEAR ENDED 31ST MARCH, 2026

26.1. Basis of Accounting

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India under the historical convention on accrual basis. These financial statements have been prepared to comply, in all material aspects, with the accounting standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the presentation requirements as prescribed by the Schedule III of the Companies Act, 2013 to the extent applicable.

26.2. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires that management makes estimates and assumptions that affect the reported amounts of income and expenses of the year, the reported balance of assets and liabilities and the disclosure relating to contingent liabilities as at the date of the financial statements. These estimates are based upon management's best knowledge of current events and actions. The difference between the actual results and estimates are recognised in the period in which the results are known / materialized.

26.3. Property, Plant and Equipment and Intangible assets

- Property, Plant and Equipment

Tangible Assets are stated at cost of acquisition or construction less accumulated depreciation and impairment of assets, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. The company has a policy of physical verification of all the assets once in a year, the last verification was done on 28th March 2026 and no discrepancies were noticed during such verification.

-Capital Work-in-Progress

Expenses incurred during construction/installation period are included under capital work-in-progress and allocated to relevant fixed assets in the ratio of cost of the respective assets on completion of construction/installation. There is no work in progress for the financial year ending 31-March-2026.

26.4. Depreciation/Amortisation

-Depreciation on tangible assets is provided, on Written Down Value method, over the useful life of assets estimated by the management in accordance with Schedule-II of the Companies Act, 2013.
-Residual value of assets has been considered at 5% of the original cost of the assets.
-Depreciation on additions to fixed assets is calculated on date of put to use as certified by the management.
-Depreciation on assets sold & scrapped, during the year, is provided up-to the date on which such fixed assets are sold or scrapped.

26.5. Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss, if any, is charged to the Statement of Profit & Loss in the year in which an asset is identified as impaired. Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the assets no longer exist or have decreased.

26.6. Valuation of Inventories

-Raw Material Chemicals & Salts
-Packing Material
-Finished Goods products comprises of Active Pharmaceutical Ingredients and Pharmaceutical Formulation Intermediates
-Work In Progress (Semi Finished Goods)

- The value of Finished Goods and Work in Progress has been taken on allocation of labour and manufacturing overheads and is valued at cost or net realizable value whichever is lower.
- The company has a policy of physical verification of the entire available inventory once every month, no material discrepancies were noticed during such verification. The last verification was done on 5th April 2026.

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26.7. Revenue Recognition

-Revenue from sale of goods is recognized when risk and rewards of ownership are transferred to the customers.
-Revenue from services is recognised when services are rendered and related costs are incurred.
-Other income is recognised on accrual basis unless otherwise stated.
-Insurance and other claims are accounted for on settlement of claims/on receipt.
-Revenue from sales/services are shown net of taxes, as applicable.

26.8. Employee Benefits

b) Short-term Employee Benefits:

-Leave Encashment, on the basis of actual computation, is accounted for on accrual basis, during the tenure of employment the payment in respect thereof is made by the Company from its own funds as per the past practice consistently followed by the Company.
-Payment of Bonus – This year the company has paid Rs. 13,55,946.00 as per The Payment of Bonus Act, 1965.

c) Post-Employment Benefits

(i) Defined Contribution Plans:
Contributions as required under the Statute/Rule are made to Employees State Insurance & Provident Fund and charged to the Statement of Profit & Loss of the year when the contributions to the respective funds are due.

(ii) Defined Benefit Plans:
The company has got the Actual Valuation done by independent consultant for FY 2025-26 to determine the projected benefit obligation for Gratuity Benefit and the accounting expenses associated with Gratuity Benefit on 31-03-2026.

Gratuity Provision in FY 2025-26 was provided for Rs. 29,13,281.00

d) Termination Benefits: Termination benefits are recognized as an expense as and when incurred.

26.9. Foreign Currency Transactions

i.) Functional and Reporting Currency: The standalone financial statements are presented in Indian Rupee ('INR') which is also the functional and presentation currency of the Company.
ii.) Initial Recognition: Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.
iii.) Conversion on Reporting Date: Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.
iv.) Exchange Differences: Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.
-Net amount of Rs. 44,77,915.70 is recognized as foreign exchange loss in Other Income for the year FY.2025-26.

26.10. Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets to the extent that they relate to the period till such assets are ready to use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit & Loss.

26.11. Investments

-Current Investments are carried at cost or fair value whichever is lower.

-Non-Current Investments are carried at cost. Provision for diminution in value of non-current investments is made only, if a decline is other than temporary.

26.12. Operating Lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease charges are recognized as an expense in the Statement of Profit & Loss on monthly due basis. The company has taken following premises on lease:

1.) C8 Warehouse Rent located at Derabassi (Pb.). The lease is entered into with Mohit Aggarwal with Monthly Rent of Rs. 75,756/-

26.13. Taxes on Income

-Current Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.

-Deferred tax is recognised, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

-Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off assets against liabilities.

26.14. Earnings Per Share (EPS)

-Annualised basic earnings per equity share is arrived at based on net profit/(loss) attributable to equity shareholders to the basic weighted average number of equity shares outstanding.

-Annualised diluted earnings per equity share is arrived at based on adjusted net profit/(loss) attributable to equity shareholders to the adjusted weighted average number of equity shares outstanding, for the effects of all dilutive potential equity shares; except where the results are anti-dilutive. At present the Company does not have any dilutive potential equity shares.

26.15. Cash Flow Statement:

-The Cash Flow Statement is prepared by the indirect method set out in Ind AS 7 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities of the Company.

-Cash and cash equivalents presented in the Cash Flow Statement consists of balance in current accounts and cash balances.

26.16. Contingencies and Provisions

A provision is recognized when the Company has a present obligation as a result of past events. It is probable that an outflow of resources embodying economic benefit will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on the best estimate of the expenditure 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 estimate.

A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote.

26.17 **Internal Control Policy and BCP Management:** The Company has a comprehensive system of Internal Controls to safeguard its assets against loss from unauthorized use and to ensure reliability of financial reporting. The management assesses the operating effectiveness of these controls on regular basis. All the required security checks i.e., physical security of the company premises and its database are properly installed, daily backup is being done for all the accounting and related data. The company maintains a system of internal controls designed for effectiveness and efficiency of operations, compliance and regulations.

The system of internal controls monitors and ensures process for:

• Effectiveness and efficiency of operations;

• Reliability of financial reporting;

• Compliance with applicable laws and regulations.

NOTE 27: OTHER NOTES TO ACCOUNTS
(Forming part of Accounts)
FOR THE YEAR ENDED 31ST MARCH, 2025

27.1. Issued, Subscribed & Paid-up Capital:
Issued, Subscribed and paid-up capital of the company is Rs. 1,75,80,500.00 (divided into 17,58,050 shares of Rs, 10 each)

27.2. Reserves & Surplus:
- The amount shown in the Reserve & Surplus represents profits generated during the year amounting Rs. 10,50,85,982.03. Total amount of Reserves & Surplus as on 31.03.2026 is Rs. 38,31,39,380.14.

27.3. Long-term Borrowings
Secured:

Term Loan:

Lender	**Nature of Facility**	**Loan**	**Amount outstanding as at 31 March'2026**	**Rate of Interest**	**Repayment Terms**	**Conditions**
HDFC	Plant and Machinery Loan of Rs. 200 Lakhs	Term Loan	Rs. 47.64 Lakhs	7.45% (Floating)	Installments of Rs. 4.89 lacs per month.	Corporate Guarantee by M/S Beta Drugs Limited
HDFC	HPLC Loan of Rs. 40.26 Lacs	Term Loan	Rs. 32.91 Lakhs	7.850% (Floating)	Installment of Rs. 0.90 lacs per month	First Charge in Favour of bank by way of Hypothecation of company's entire stock of RM, WIP, Semi Finished Goods and Finished Goods, consumable stores spares including book debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the Bank and as specified by CAM.
SIDBI	PCS Gold of Rs. 80.00 Lakhs	Term Loan	Rs.39.77 Lakhs	8.250% (Floating)	Total principal payment of Rs 1.49 Lakhs P.M. plus interest for 54 months after 6 months moratorium period from the date of sanction.	Equitable mortgage of Plot No. D-27, Derabassi, Industrial Focal Point owned by company. (First Pari-passu charge with SIDBI.
HDFC	Construction Loan (Account no. :- 803238541)	Term Loan	Rs 69.62 Lakhs	7.50%	Installment of Rs. 1.245 lacs per month	Corporate Guarantee by M/S Beta Drugs Limited.

Axis Bank	Vehicle Loan	Term Loan	Rs 25.51 Lakhs	8.60%	Installment of Rs. 0.77 lacs per month	Car Loan
HDFC	New Unit Loan	Term Loan	Rs. 500 Lakhs	7.5% (Floating)	Installments of Rs. 8.94 lacs per month.	Equitable mortgage of Plot No. D-27, Derabassi, Industrial Focal Point owned by company. (First Pari-passu charge with SIDBI.

27.4. In the opinion of the Directors, "Current Assets" and "Loans & Advances" are approximately of the value stated in the Balance Sheet, if realized in the ordinary course of business and to the best of their knowledge, provisions for all the known liabilities have been made and, as certified, all the contractual and statutory obligations have been duly complied with.

27.5. Depreciation/Amortisation

-The management estimates the useful life of existing fixed assets as follows:-

Building	30 years
Furniture & Fixtures	10 years
Machinery	15 years
Equipment	5 years
Lab Equipment	10 years

For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given above best represent the period over which management expects to use these assets. The useful lives for these assets are same as prescribed under Part-C of Schedule-II of the Companies Act, 2013. *(Refer note 3.4)*

27.6. Earnings Per Share (IND AS 33)

	Year ended 31st March, 2026 ₹	Year ended 31st March, 2025 ₹
Numerator		
Net Profit/(Loss) attributable to Equity shareholders	10,49,00,734.66	9,60,56,928.96
Denominator		
Number of Equity shares	No.'s 17,58,050	No.'s 17,58,050
Nominal Value per Equity share	10	10
Earnings per Equity share -Basic and diluted	59.67	54.64

27.7. Non. Current Investments:

. Equity shares have been stated at cost; provision for appreciation/diminution in the value of shares has not been made and no dividend was received during the year.

The provisions of Section 186 of the Companies Act, 2013 have been complied with.

27.8. Taxes

The exact liability of GST, Income Tax and other statutory dues is indeterminate pending finalization of assessments and no undisputed dues or amounts were outstanding or remaining unpaid as at 31st March, 2026.

The current tax provision shown in the Balance Sheet is Rs. 2,08,24,030.53 after utilization of the advance tax and TDS of Rs. 1,52,30,649.62.

27.9. Segment Reporting

Since the Company primarily operates in one segment (i.e., Manufacturing of API/PFI), therefore segment reporting as required under Ind AS - 108 is not applicable.

27.10. Related Party Disclosures (Ind AS-24)

Related parties & their relationship and related parties' transactions.

S. No.	Related Party	Nature of Relationship	Nature of Transaction	Amount Involved During the year (₹)
1.	Beta Drugs Limited	100% Holding	Finished Goods Sold	26,01,40,601.00
	Beta Drugs Limited	100% Holding	Interest on Unsecured Loan	65,73,914.00
	Beta Drugs Limited	100% Holding	Unsecured Loan Taken	0.00
	Beta Drugs Limited	100% Holding	Purchase Of Fixed asset	19,75,000.00
2.	Adley Formulations Pvt Ltd	Common Subsidiary	Sale of Goods	29,25,17,051.00

The above disclosure of the related party and the transactions entered has been made as per Ind AS-24.
The transactions have been carried at arm's length price (ALP).

27.11. Ratios

Adley Lab Ltd.- Ratios							
Sr. No.	**Ratios**	**Numerator**	**Denominator**	**As at March 31' 2026**	**As at March 31' 2025**	**Variance**	**Explanation for significant changes in ratio as compared to the preceding year.**
1	Current Ratio	Current Assets	Current liabilities	1.97	1.82	8.2%	
2	Debt-Equity Ratio	Total Debt	Shareholders' equity	0.51	0.29	75.86%	Total debt increased by ₹11.88 Cr, whereas equity increased by ₹10.49 Cr.

3	Debt Service Coverage Ratio	Earnings available for debt service	Debt service	6.69	7.07	-5.37%	
4	Return on Equity Ratio	Net profit after taxes less preference dividend (if any)	Shareholder’s equity	0.26	0.32	-18.75%	
5	Inventory turnover ratio	Cost of goods sold or sales	Average inventory	3.25	2.98	9.06%	
6	Trade Receivables turnover ratio	Net Sales	Average Trade Receivables	2.36	2.72	-13.24%	
7	Trade Payables turnover ratio	Net Purchases	Average Trade Payables	2.07	2.13	-2.82%	
8	Net capital turnover ratio	Net Sales	Net working capital	2.57	2.95	-12.88%	
9	Net Profit ratio	Net Profit after taxes	Net Sales	0.13	0.15	-13.33%	
10	Return on capital employed	Earnings before interest and taxes	Capital employed	0.27	0.41	-34.15%	EBIT increased by ₹1.78 Cr, but capital employed increased by ₹22.95 Cr.
11	Operating Profit Margin	Earnings before interest and taxes	Net Sales	19.51%	21.87%	-10.79%	
12	Interest Coverage Ratio	Earnings before interest and taxes	Interest Expense	9.57	14.09	-32.08%	EBIT increased by ₹1.78 Cr, but interest expense increased by ₹65.03 lakh.

27.12. Particulars relating to corporate social responsibility

The Company has provided for the corporate social responsibility as per Section 135 of the Companies Act 2013 i.e., Rs. 19,49,181.00 during the year. The actual amount spent during the financial year was Rs. 19,49,295.00 and there is no outstanding provision as on 31st March 2026.

27.13. Property, Plant and Equipment and Intangible assets:

- During the financial Year 2025-26 there was addition of Rs. 9,77,57,860.00 under the head Land.
- During the financial Year 2025-26, there was addition of Rs. 78,23,655.31 under the head Building.
  During the financial year 2025-26, there was net addition of Rs. 2,97,65,797.62 made to Plant & Machinery, Furniture & Fixtures, Office Equipment, Vehicles & Computers.
- During the financial Year 2025-26 there was Rs. 24,55,000.00 addition under the head Intangible Assets.

27.14. Deferred Tax Assets & Liabilities

During the FY 2025-26, the company has made Deferred Tax Asset. Details of Calculation mentioned below: -

Calculation of Deferred Tax Asset / Liability	Amount (₹)
Deferred Tax Asset/(Liability) as on 01.04.2025 (Opening)	24,81,635.87
Total Deferred Tax Asset/(Liability) Created for the financial year 2025-26 in Profit and Loss Account.	10,81,818.18
Net Deferred Tax Asset/(Liability) as on 31.03.2026 (Closing)	35,63,454.06

27.15. Other additional information

Particulars		31st March, 2026 Amount	31st March, 2025 Amount
"A"	**Revenue from operations**		
	(under broad heads)		
	Sales		
	-Sales Within India	80,04,14,990.52	63,23,40,510.72
	-Export Sales	-	-
	Total	**80,04,14,990.52**	**63,23,40,510.72**
"B"	**Purchases**		
	-Chemicals, excipients & Packing Material	45,30,57,311.68	35,85,07,527.72

27.16. Expenditure In Foreign Currency (On Accrual Basis): - Following Expenses were incurred by the company during the year 2025-26.

		31st March, 2026 AMOUNT ₹	31st March, 2025 AMOUNT ₹
- Import of Capital Goods		0.00	0.00
- Import of raw material (including R&D Material)		27,62,30,129.29	19,52,55,140.55
- Expenses		48,91,870.70	0.00
	TOTAL	28,11,21,999.99	19,52,55,140.55

27.17. Micro, Small & Medium Enterprises

Based on the information presently available, total outstanding as on 31.03.2026 is Rs. 1,64,10,278.00 to micro or small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006.

27.18. Other statutory information

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

ii. The Company does not have any trading in Crypto Currency or Virtual Currency.

iii. The Company does not have any transactions or balances with a Companies struck off under section 248 of the Companies Act, 2013 or Section 560 of the Companies Act 1956.

iv. The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.

v. Company has not advanced or loaned or invested funds to any other person(s) or entity(is), 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.

vi. The Company has not received any fund from any person(s) or entity(is), 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 on behalf of the Ultimate Beneficiaries.

vii. No charge is pending to be registered beyond statutory period with ROC.

viii. The company has not used the borrowings from banks and financial institutions for any other purpose other than for the specific purpose for which it was taken.

ix. The Company have defined agreement with the Debtors regarding the credit payment period given and ageing is done accordingly in Financial Statement.

x. As there is no specific agreements with the creditors, hence the creditors ageing is done as per the date of invoice received.

27.19. Total count of debtors in M/s Adley Lab Limited Limited is 25, and creditors count is 218, Balance confirmation were sent to all and confirmation reply came from more than 50% of the total count.

27.20. Figures for previous year have been regrouped / rearranged where necessary to conform to the current year's presentation.

In terms of our attached report of even date.	**For and on behalf of the Board of Directors**	
For KALRA RAI AND ASSOCIATES **CHARTERED ACCOUNTANTS** **F R No. – 008859N**		**(Director)**
	Sd/- **Rahul Batra** **(Director)** **DIN:- 02229234**	**Sd/-** **Varun Batra** **(Director)** **DIN :- 02148383**
Sd/- **LAJPAT RAI KALRA** **PARTNER** **M No. -087438** **Dated: 14/05/2026** **Place: Chandigarh** **UDIN: 26087438WNPXBW9011**		