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Independent Auditor's Report
To the Members of
Aarti Circularity Limited

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Aarti Circularity Limited** ("the Company") which comprise the Balance Sheet as at 31st March, 2026, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, Cash Flow Statement, and the Statement of Changes in Equity and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

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, as amended ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2026, its profit including other comprehensive income, its cash-flows and the changes in equity for the period ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SA's), as specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditors Responsibilities for the Audit of the 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 together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our 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.

Information Other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises of Directors Report with its annexure, but does not include Financial Statements and our auditor's 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 financial statements or our knowledge obtained during the course of our 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 information; we required to report that fact. We have nothing to report in this regard.

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 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 the accounting principles generally accepted in India, including the accounting standards specified under Section 133 of the Act.

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 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, Management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibilities 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 auditor's report that includes our opinion. Reasonable assurance is high level of assurance but it is not guarantee that an audit concluded in accordance with the SA's 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 a part of an audit in accordance with SA's, 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 control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system 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 auditor's report to the related disclosures in the 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content 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.
- Obtain sufficient appropriate audit evidence regarding the standalone financial statements of the Company to express an opinion on the standalone financial statements.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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 control 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 period and are therefore the key audit matters. We describe these matters in our auditor's 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 in terms of Section 143(11) of the Act, we give in "Annexure A" 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 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 the Statement of Changes in Equity are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial results comply with the Accounting Standards referred specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on 31st March, 2026, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2026, from being appointed as a director in terms of section 164 (2) of the Companies Act, 2013.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's 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 by the Company to its directors during the period is in accordance with the provisions of section 197 of the Act; and
 - h) 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, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The company does not any pending litigations on its financial position in its Financial Statements.
 - ii. The company did not have any long-term contracts including derivative contracts which were any material foreseeable losses;
 - iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company;



ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT ON STANDALONE FINANCIAL STATEMENTS

(Referred to in para 1 under Report on Other Legal and Regulatory Requirements' section of our report of even date)

The Annexure referred to in our Auditors' Report to the members of the Company on the standalone financial statements for the period ended 31st March, 2026, we report that:

- i. a) (A) In our opinion and according to the information and explanation given to us, the Company does not hold any have any fixed assets at any time during the period under audit, accordingly para 3(i)(a)(A) of the Order is not applicable.

a) (B) In our opinion and according to the information and explanation given to us, the Company does not hold any have any intangible assets at any time during the period under audit, accordingly para 3(i)(a)(B) of the Order is not applicable.

b) As the company does not have any Property, Plant and Equipment, reporting under clause 3(i)(b) of the Order is not applicable.

c) As the company is not having any immovable properties, reporting under clause 3(i)(c) of the Order is not applicable.

d) As the company is not having any Property, Plant and Equipment or Intangible assets, reporting under clause 3(i)(d) of the Order is not applicable.

e) Based on the information and explanation furnished to us, no proceedings have been initiated on the Company under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and Rules made there under.
- ii. a) In our opinion and according to the information and explanation given to us, the Company is not having any inventory at any time during the period ended under audit; accordingly, para 3(ii)(a) of the Order is not applicable.

b) During the year, the company has not been sanctioned, any point of time of the year, working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. Hence reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- iii. a) According to the information and explanations given to us the company has granted loans, advance in nature of loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013, the details of which are given below.

(Rs. In Thousand)		
Particulars	Loans	Advances in Nature of Loan
Aggregate amount granted / provided during the year		
- Subsidiary		
- Joint Venture		73,500.00
Balance outstanding as at balance sheet in respect of above cases		
- Subsidiary		
- Joint Venture		73,500.00



b) In our opinion and based on the information and explanations given to us, the terms and conditions of these advances in nature of loans granted during the year are prima facie not prejudicial to the interest of the Company.

c) In respect of advances in the nature of loans granted to wholly owned subsidiaries, there is no stipulation of schedule of repayment of principal and payment of interest and hence we are unable to comment on the regularity of repayment of principal and payment of interest.

d) Since there is no stipulated repayment schedule for advances in the nature of loans to the joint venture, there is no overdue amount more than ninety days.

e) On the basis of my examination of the records of the Company, no loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or has been settled by granting fresh loans to the same parties.

f) According to the information and explanations given to me and on the basis of our examination of the records of the Company, the company has granted loans or advances in the nature of loans either repayable on demand specifying terms or period of repayment. The details of which are given below.

Type	All Parties	Promoters	Related Parties
Aggregate amount granted / provided during the year			
- Repayable on Demand attached with specific conditions (A)	73,500.00	Nil	73,500.00
- Agreement does not specify any terms of repayment (B)	Nil	Nil	Nil
Total (A + B)	73,500.00	Nil	73,500.00
Percentage of advances in nature of loans to the total loans	100%	Nil	100%

* Related parties include joint venture as per section 2(76) of the Companies Act, 2013.

- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of investments made and loans and advances in the nature of loans.
- v. The Company has not accepted any deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) during the year hence, reporting under clause 3(v) of the order is not applicable.
- vi. In our opinion and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013; accordingly, para 3(vi) of the Order is not applicable.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, amounts deducted/accrued in the books of the accounts in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Profession Tax, Goods & Service Tax (GST), Cess and any other statutory dues have been regularly deposited during the period by the company with the appropriate authorities.



(b) According to the information and explanations given to us, there are no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods & Service Tax (GST), Cess and any other statutory dues which have not been deposited by the company on account of disputes

viii. According to the information and explanations given to us and on the basis of our examination of the records of the company there are 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.

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

b) According to the information and explanations given to us the Company has not been declared willful defaulter by any bank or financial institution or any other lender.

c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

d) As the Company has not availed any loans on short term basis during the year, the requirement to report on clause 3(ix)(d) of the Order is not applicable to the Company.

e) According to the information and explanations given to us, 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, associates or joint ventures, Hence, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

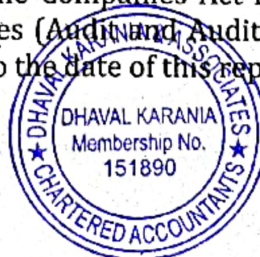
f) According to the information and explanations given to us, we report that the Company has not raised any loans during the year on the pledge of securities held in its and its subsidiaries, associates or joint ventures and hence reporting on clause 3(ix)(f) of the Order is not applicable.

x. a) According to the information and explanations given to us, the company has utilised the money raised by way of further public offer (rights issue) for the purposes for which they were raised.

b) During the year, the Company has made any preferential allotment or private placement of shares and has utilised such funds for the purposes for which they were raised.

xi. a) According to the information and explanations given to us, to the best of our knowledge and according to the information and explanations given to us and on the basis of examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India, no fraud by the Company or on the Company was noticed or reported during the year.

b) According to the information and explanations given to us, to the best of our knowledge, 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 (Auditors) Rules, 2014 with the central Government, during the year and up-to the date of this report.



c) According to the information and explanations given to us, including the representation made to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause (xi)(c) of the Order is not applicable to the Company.

xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. The Company is not required to have internal audit system as required under Section 138 of the Companies Act, 2013 and hence, the reporting under clause 3(xiv)(a) and (b) of the Order is not applicable.

xv. In our opinion and according to the information and explanations given to us, during the year, Company has not entered into any non-cash transactions with its directors or persons connected with him and accordingly, the reporting under clause 3(xv) of the Order is 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) and (c) of the Order is not applicable.

(b) According to the information and explanations given by the management, the Group does not have not more than one CIC as part of the Group. Accordingly, the reporting under Clause 3(xvi)(d) is not applicable to the Company.

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.

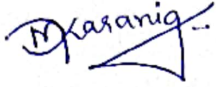
xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence 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. According to the information and explanations given to us and based on our examination of the records of the Company Reporting under CSR compliance under reporting under clause (xx) of the Order is not applicable.



- xxi. The reporting under clause (xxi) of the Order is not applicable in respect of audit of standalone financial statements; accordingly, no comment in respect of the said clause has been included in this report.

For Dhaval Karania & Associates
Chartered Accountants
Firm Registration No. 136654W



Dhaval Karania
Proprietor
Membership No. 151890
UDIN: 26151890JNPCGY2125



Place: Mumbai
Date: 1st May, 2026.

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT ON STANDALONE FINANCIAL STATEMENTS

(Referred to in paragraph 2(f) under Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Control 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 **Aarti Circularity Limited** ("the Company") as of 31st March, 2026 in conjunction with our audit of the standalone financial statements of the Company for the period 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 issued by the Institute of Chartered Accountants of India ('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 Companies Act, 2013.

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 with reference to these standalone financial statements, 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 with reference to these standalone financial statements.



Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting with reference to these standalone 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 over financial reporting includes those policies and procedures that

(i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(ii) 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

(iii) 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 Dhaval Karania & Associates

Chartered Accountants

Firm Registration No. 136654W



Dhaval Karania

Proprietor

Membership No. 151890

UDIN: 26151890JNPCGY2125



Place: Mumbai

Date: 1st May, 2026.

1 Significant Accounting Policies:**a Accounting Convention**

The Company has prepared the balance sheet as per Ind AS by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets and liabilities which are not permitted by Ind AS and applying Ind AS in measurement of Recognised assets and liabilities.

b Use of Estimates

The preparation of financial statements requires the management estimates and assumptions to be made that affect the reported amount of assets and liabilities (including contingent liabilities) on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Difference between the actual results and estimates are recognised in the period in which the results are known or materialised.

c Cash flow statement

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

d Taxes on Income

i. Provision for current tax is determined on the basis of taxable income for the period as per the provisions of Income Tax Act, 1961.

ii. Deferred tax for the year is recognized, on timing differences, being difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.

e Revenue Recognition**Sale of goods**

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include sales tax and value added tax.

Other Incomes

Other incomes are accounted for on accrual basis except when the recovery is uncertain, it is accounted for on receipt basis.

f Earnings per Share:

Basic EPS is computed by dividing the profit or loss attributable to the equity shareholders of the Company by the weighted average number of Ordinary shares outstanding during the year. Diluted EPS is computed by adjusting the profit or loss attributable to the ordinary equity shareholders and the weighted average number of ordinary equity shares, for the effects of all dilutive potential Ordinary shares.

g Provisions and Contingencies:

A provision is recognized when the company has legal and constructive obligation as a result of a past event for which it is probable that cash outflow will be required and a reliable estimate the amount of the obligation. A contingent liability is disclosed when the company has possible or present obligation not certain that an outflow of resources will be required to settle it. Contingent assets are neither recognized nor disclosed.



AARTI CIRCULARITY LIMITED (formerly known as Aarti Spechem Ltd)
Statement of Cash Flow for the Year Ended 31st March, 2026
CIN: U24100GJ2019PLC111065

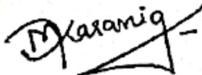
Particulars	(Rs In Thousand)	
	For the Year Ended 31st March, 2026	For the Year Ended 31st March, 2025
A. Cash Flow from Operating Activities		
Net Profit / (Loss) before extraordinary items and tax	3,416.14	(2,420.07)
Adjustments for Non-Cash Items		
Depreciation & Amortization	-	-
Losses on Sale of Assets	-	-
Gains on Sale of Assets	-	-
Changes in Deferred Taxes	-	-
Current year tax	206.06	-
Finance Costs	151.35	-
Operating Profit before Working Capital Changes	3,773.55	(2,420.07)
Adjustments for Changes in Working Capital		
Adjustments for increase / (decrease) in operating liabilities:		
Increase in Current Assets	(3,419.15)	-
Decrease in Current Assets	-	-
Increase in Current Liabilities	-	-
Decrease in Current Liabilities	97.67	996.50
Cash Generated from Operations	452.07	(1,424)
Direct Taxes Paid	(413.41)	-
Net Cash inflow/(out flow) from Operating Activities (A)	38.66	(1,424)
B. Cash Flow from Investing Activities		
Increase/Decrease in Investment Equity	-	(49)
Increase/Decrease in Investment ICD	-	-
Net Cash inflow/(outflow) from Investing activities (B)	-	(49)
C. Cash Flow from Financing Activities		
Proceeds from issue of equity shares	100,000	-
Increase/Decrease in Investment ICD	(73,500)	-
Proceeds/(Repayment) of Other Borrowings	(1,000)	-
Interest paid	(151.35)	-
Net Cash inflow/(out flow) from Financing Activities (C)	25,349	-
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	25,387.32	(1,472.57)
Cash and Cash equivalent as at the commencement of the period	643.84	2,116.41
Cash and Cash equivalent as at the End of the period	26,031.16	643.84

Note:

(i) Cash and Cash equivalent is Cash and Bank Balances as per Balance Sheet.

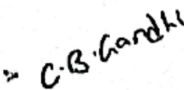
As per our report of even date

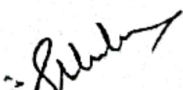
For Dhaval Karania & Associates
Chartered Accountants
FRN No. : 136654W


Dhaval M Karania
Proprietor
Membership No. : 151890
Place: Mumbai
Date: 01/05/2026



For and on behalf of the Board


Chetan B. Gandhi
Director
DIN: 06843850


Suyog Kotecha
Director
DIN: 10634964

AARTI CIRCULARITY LIMITED (formerly known as Aarti Spechem Ltd)
Balance Sheet as at 31st March, 2026
CIN: U24100GJ2019PLC111065

(Rs in Thousand)

Particulars	Note No.	As at 31st March, 2026	As at 31st March, 2025
ASSETS			
Non-Current Assets			
Property, Plant and Equipment		-	-
Capital Work-in-Progress		-	-
Intangible Assets		-	-
Financial Assets			
Investments	2	408.17	49.00
Loans and Advances	3	73,500.00	-
Other Non-Current Assets		-	-
Total Non-Current Assets		73,908.17	49.00
Current Assets			
Inventories		-	-
Financial Assets			
Trade Receivables		-	-
Cash and Cash Equivalents	4	26,031.16	643.84
Others Current Financial Assets		-	-
Current Tax Assets (Net)	5	413.41	-
Other Current Assets	5	3,419.15	-
Total Current Assets		29,863.71	643.84
TOTAL ASSETS		1,03,771.88	692.84
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	6	1,02,500.00	2,500.00
Other Equity	7	945.65	(2,830)
Total Equity		1,03,445.65	(329.66)
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings		-	-
Other Financial Liabilities		-	-
Deferred Tax Liabilities (Net)		-	-
Total Non-Current Liabilities		-	-
Current Liabilities			
Financial Liabilities			
Borrowings		-	-
Trade Payables Due to:			
Micro and Small Enterprises		-	-
Other Than Micro and Small Enterprises		-	-
Other Current Liabilities	8	326.23	1,022.50
Provisions		-	-
Total Current Liabilities		326.23	1,023
Total Liabilities		326.23	1,023
TOTAL EQUITY AND LIABILITIES		1,03,771.88	692.84
Summary of Significant Accounting Policies and other Explanatory Information			
	1-17		

As per our report of even date

For Dhaval Karania & Associates
Chartered Accountants
FRN No. : 136654W

Dhaval M Karania
Dhaval M Karania
Proprietor
Membership No. : 151890
Place: Mumbai
Date: 01/05/2026



For and on behalf of the Board

C.B. Gandhi

Chetan B. Gandhi
Director
DIN: 06843850

Suyog Kotecha

Suyog Kotecha
Director
DIN: 10634964

AARTI CIRCULARITY LIMITED (formerly known as Aarti Spechem Ltd)
Statement of Profit and Loss for the Year Ended 31st March, 2026
CIN: U24100GJ2019PLC111065

(Rs in Thousand)

Particulars	Note No.	For the Year Ended 31st March, 2026	For the Year Ended 31st March, 2025
REVENUE			
Revenue from Operations		-	-
Other Income	9	4,134.08	-
Total Revenue		4,134.08	-
EXPENSES			
Cost of Materials Consumed (Incl. Packing Material, Purchases of Stock-in-Trade		-	-
Changes in Inventories of Finished Goods, Work-in- Employee Benefits Expense	10	205.06	-
Finance Costs	11	151.35	-
Depreciation and Amortisation Expenses		-	-
Other Expenses	12	155.47	2,420.07
Total Expenses		511.88	2,420.07
PROFIT BEFORE TAX		3,622	(2,420)
TAX EXPENSES			
Current Year Tax		206.06	-
Deferred Tax		-	-
Total Tax Expenses		206.06	-
PROFIT AFTER TAX		3,416.14	(2,420.07)
SHARE OF PROFIT FROM JOINT VENTURE		359.17	-
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		3,775.31	(2,420.07)
Earnings Per Equity Share (EPS) (in Rs)	12		
Basic/Diluted		0.49	(9.68)
Summary of Significant Accounting Policies and other Explanatory Information	1-17		
As per our report of even date			

For Dhaval Karania & Associates
Chartered Accountants
FRN No. : 136654W

Dhaval Karania

Dhaval M Karania
Proprietor
Membership No. : 151890
Place: Mumbai
Date: 01/05/2026



For and on behalf of the Board

C.B. Gandhi

Chetan B. Gandhi
Director
DIN: 06843850

Suyog Kotecha

Suyog Kotecha
Director
DIN: 10634964

AARTI CIRCULARITY LIMITED (formerly known as Aarti Spechem Ltd)
Statement of Changes in Equity for the year ended 31st March, 2026
CIN: U24100GJ2019PLC111065

A. EQUITY SHARE CAPITAL

(Rs in Thousand)

As at 1st April, 2024	2,500.00
Changes in equity share capital during the year 2024-25	-
As at 31st March, 2025	2,500.00
Changes in equity share capital during the year 2025-26	1,00,000.00
As at 31st March, 2026	1,02,500.00

B. OTHER EQUITY

(Rs in Thousand)

Particulars	Other Equity	Other Equity	Total Other Equity
	Reserves and Surplus	Reserves and Surplus	
	Retained Earnings	Retained Earnings	
As at 1st April, 2024		(409.59)	(409.59)
Profit for the Period		(2,420.07)	(2,420.07)
Balance as at 31st March, 2025		(2,829.66)	(2,829.66)
Profit for the Period		3,775.31	3,775.31
Balance as at 31st March, 2026		945.65	945.65

As per our report of even date

For Dhaval Karania & Associates
Chartered Accountants
FRN No. : 136654W

Dhaval M Karania

Dhaval M Karania
Proprietor
Membership No. : 151890
Place: Mumbai
Date: 01/05/2026



For and on behalf of the Board

C.B. Gandhi

Chetan B. Gandhi
Director
DIN: 06843850

Suyog Kotecha

Suyog Kotecha
Director
DIN: 10634964

AARTI CIRCULARITY LIMITED (formerly known as Aarti Spechem Ltd)**Year 2025-26****2 INVESTMENTS:****(Rs in Thousand)**

Particulars	As at	As at
	31st March, 2026	31st March, 2025
Re Aarti Private Limited	408.17	49.00
TOTAL	408.17	49.00

3 Loans & Advances:

Particulars	As at	As at
	31st March, 2026	31st March, 2025
Re-Aarti	73,500.00	-
TOTAL	73,500.00	-

4 CASH AND CASH EQUIVALENTS:

Particulars	As at	As at
	31st March, 2026	31st March, 2025
Cash on hand	-	-
Bank Balance in Current Account	20,468.98	643.84
Bank Balances Other than Cash & Cash Equivalents	5,562.18	-
TOTAL	26,031.16	643.84

5 OTHER CURRENT ASSETS::

Particulars	As at	As at
	31st March, 2026	31st March, 2025
Prepaid Expenses	12.49	-
Interest Receivable	3,406.66	-
TDS Receivable	413.41	-
TOTAL	3,832.56	-



6 EQUITY SHARE CAPITAL:

Particulars	(Rs In Thousand)		(Rs In Thousand)	
	No. of Shares	As at 31st March, 2026	No. of Shares	As at 31st March, 2025
Authorised Share Capital Equity Shares of 10/- each	2,50,00,000	2,50,000.00	2,50,00,000	2,50,000.00
Issued, Subscribed & Paid up Equity Shares of 10/- each fully paid up	1,02,50,000	1,02,500.00	2,50,000	2,500.00
TOTAL	1,02,50,000	1,02,500.00	2,50,000	2,500.00

Reconciliation of the number of Shares outstanding as on 31st March, 2026:

Particulars	No. of Shares outstanding	
	As at 31st March, 2026	As at 31st March, 2025
Equity Shares at the beginning of the year	2,50,000	2,50,000
Equity Shares issued during the year	1,00,00,000	-
Equity Shares at the end of the year	1,02,50,000	2,50,000

Details of shareholders holding more than 5% shares:

Name of the Shareholders	As at 31st March, 2026		As at 31st March, 2025
	No. of Shares	% held	% held
Aarti Industries Limited	1,02,50,000	100	100

The details of Equity Shares outstanding during last 5 years:

Particulars	Financial Year				
	2025-26	2024-25	2023-24	2022-23	2021-22
No. of Equity Shares outstanding	1,02,50,000	2,50,000	2,50,000	2,50,000	2,50,000



AARTI CIRCULARITY LIMITED (formerly known as Aarti Spechem Ltd)**Year 2025-26****7 OTHER EQUITY****(Rs in Thousand)**

Particulars	As at 31st March, 2026	As at 31st March, 2025
Profit and Loss Account		
Opening balance	(2,829.66)	(409.59)
Addition:		
Net Profit/(Loss) for the year	3,775.31	(2,420.07)
Closing Balance	945.65	(2,829.66)

8 OTHER CURRENT LIABILITIES:

Particulars	As at 31st March, 2026	As at 31st March, 2025
Loans & Advances from Parent Company	-	1,000.00
Other Current Liabilities & Provisions	120.17	22.50
Corporate tax for AY 2026-27	206.06	
TOTAL	326.23	1,022.50



AARTI CIRCULARITY LIMITED (formerly known as Aarti Specchem Ltd)**Year 2025-26****9 Revenue** (Rs in Thousand)

Particulars	For the Year Ended 31st March, 2026	For the Year Ended 31st March, 2025
Revenue from Operations	0.00	-
Other Income	4,134.08	-
Total	4,134.08	-

10 Employee Benefits Expense

Particulars	For the Year Ended 31st March, 2026	For the Year Ended 31st March, 2025
Salary & Wages	205.06	-
Total	205.06	-

11 Finance Cost

Particulars	For the Year Ended 31st March, 2026	For the Year Ended 31st March, 2025
Interest Expense	151.35	-
Total	151.35	-

12 OTHER EXPENSES:**Office Administrative Expenses:**

Rates & Taxes	17.65	2,342.67
Dmat Charges	22.61	-
Misc. Expenses/Charges	41.71	7.40
Legal & Professional Charges	43.50	39.50
Auditor Remuneration	30.00	30.50
Total	155.47	2,420.07



AARTI CIRCULARITY LIMITED (formerly known as Aarti Spechem Ltd)

13 EARNINGS PER SHARE

Particulars	(Rs in Thousand)	
	For the Year Ended 31st March, 2026	For the Year Ended 31st March, 2025
Profit after tax as per statement of profit and loss	3,416.14	(2,420.07)
Weighted average number of equity shares for basic EPS (in No.)	6,770,548	250,000
Weighted average number of equity shares for diluted EPS (in No.)	6,770,548	250,000
Face value of equity shares (in Rs.)	10	10
Earnings per share Basic (in Rs.)	0.50	(9.68)
Earnings per share Diluted (in Rs.)	0.50	(9.68)

- 14 There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.
- 15 In the opinion of the Board, except as otherwise stated, the Current Assets and Loans and Advances have a value on realization at least equal to amounts at which they are stated in the Balance Sheet.



17 ADDITIONAL DISCLOSURES:

I Trade Receivables

(Rs in Thousand)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
As at 31st March 2026						
Undisputed Trade Receivables - considered good	-	-	-	-	-	-
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivable - credit impaired	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

II Trade Payables

(Rs in Thousand)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	39.00	-	-	-	-
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
TOTAL	-	-	-	-	-

III Details of shares held by promoters

Promoter Name	No. of shares at the end of the year 31st March, 2026	% of Total Shares	% change during the year
1) Aarti Industries Limited	249,994	99.9976%	0.00%
2) Chandrakant Gogri (as nominee of AIL)	1	0.0004%	0.00%
3) Rajendra Gogri (as nominee of AIL)	1	0.0004%	0.00%
4) Ramesh Gogri (as nominee of AIL)	1	0.0004%	0.00%
5) Hetal Gogri Gala (as nominee of AIL)	1	0.0004%	0.00%
6) Renil Gogri (as nominee of AIL)	1	0.0004%	0.00%
7) Mirik Gogri (as nominee of AIL)	1	0.0004%	0.00%
TOTAL	250,000	100.0000%	0.00%

IV Other Statutory Information:

- (i) The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami Property.
- (ii) The Group do not have any transactions with companies struck off.
- (iii) The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) [other than that mentioned in note no.3 and 16] 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 (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vi) The Group have 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 Group 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) The Group have not 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 assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (viii) Details of Title Deeds of Immovable Property not held in the name of the Company - NIL
- (ix) Disclosure with reference to Non-compliance of number of Layers of companies as prescribed under Section 2(87) of the Companies Act, 2013 - Complied (Refer Note no. 16)
- (x) The Company is not declared as wilful defaulter by any Bank / Financial Institution / other Lender.

V Ratio	Numerator	Denominator	31-Mar-26	31-Mar-25	% Variance	Reason for variance
Current Ratio	Current Assets	Current Liabilities	91.54	0.63	14437.83%	Increase in Assets liability
Debt- Equity Ratio	Total Debt	Shareholder's Equity	0	0	0.00%	
Debt Service Coverage Ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	0	0	0.00%	
Return on Equity Ratio	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	6.63%	-274.89%	-102.41%	PAT Increases
Inventory Turnover Ratio	Cost of goods sold	Average Inventory	0	0	0.00%	
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	0	0	0.00%	
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	0	0	0.00%	
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets - Current liabilities	0	0	0.00%	
Net Profit Ratio	Net Profit	Net sales = Total sales - sales return	0	0	0.00%	
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	3.50%	734.12%	-99.52%	EBIT Increase
Return on Investment	Interest (Finance Income)	Investment	0	0	0.00%	

