

**Ref: ADL/SE/2021-22**  
**May 15, 2021**

To,  
Listing/ Compliance Department  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001  
**BSE CODE: 524348**

To,  
Listing/ Compliance Department  
**National Stock Exchange of India Limited,**  
“Exchange Plaza”, Plot No. C/1,  
G Block Bandra - Kurla Complex,  
Bandra (East),  
Mumbai – 400051  
**NSE CODE: AARTIDRUGS**

Dear Sir/Madam,

**Ref:** Compliance of Regulation 33 and Regulation 30 of SEBI (LODR) Regulations, 2015.  
**Sub:** Audited Standalone and Consolidated Financial Results for the Quarter and Year ended March 31, 2021.

We wish to inform you that Board of Directors at its Meeting held on **Saturday, May 15, 2021**, approved the Audited Standalone and Consolidated Financial Results for the Quarter and Year ended March 31, 2021.

Pursuant to Regulation 33 of the SEBI (LODR) Regulations, 2015 we enclose the following:-

- Audited Standalone and Consolidated Financial Results for the Quarter and Year ended March 31, 2021.
- Standalone and Consolidated Statement of Assets and Liabilities.
- Auditor’s Report on Standalone and Consolidated Financial Results for the Quarter and Year ended March 31, 2021.
- Declaration in respect of Audit Reports with unmodified opinion for the Financial Year ended March 31, 2021.

Further, please note that the Company has already made necessary arrangement to publish the same in the Newspapers as required under the SEBI (LODR) Regulations, 2015.

The meeting of the Board of Directors commenced at 11:30 AM and concluded at 2:35 PM

Kindly take the same on record.

Thanking you,  
Yours faithfully,

**FOR AARTI DRUGS LIMITED**



RUSHIKESH DEOLE

**COMPANY SECRETARY & COMPLIANCE OFFICER**

ICSI M. NO. A54527



AARTI DRUGS LIMITED											
STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31st March' 2021											
(Rs. in lakhs except for share data)											
Sr. No.	Particulars	Standalone					Consolidated				
		Quarter Ended		Year Ended			Quarter Ended		Year Ended		
		31st Mar 2021 (Audited)	31st Dec 2020 (Audited)	31st Mar 2020 (Audited)	31st Mar 2021 (Audited)	31st Mar 2020 (Audited)	31st Mar 2021 (Audited)	31st Dec 2020 (Audited)	31st Mar 2020 (Audited)	31st Mar 2021 (Audited)	31st Mar 2020 (Audited)
I	Revenue from operations	45,208	47,210	40,657	1,91,489	1,63,492	50,175	53,025	44,964	2,15,478	1,80,609
II	Other income	85	407	61	642	106	97	200	98	453	148
III	Total Income ( I + II )	45,293	47,617	40,719	1,92,131	1,63,598	50,272	53,226	45,063	2,15,930	1,80,757
IV	Expenses :										
	(a) Cost of materials consumed	27,640	27,025	27,204	1,12,779	1,07,880	30,135	29,603	28,262	1,22,152	1,14,192
	(b) Purchase of stock-in-trade	1,329	996	1,069	4,317	4,053	2,659	2,337	2,646	11,124	8,832
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(650)	408	(2,500)	(908)	(5,394)	(835)	436	(2,590)	(1,172)	(5,128)
	(d) Employee benefits expense	1,697	1,708	1,596	6,929	6,010	1,993	1,985	1,860	8,050	6,936
	(e) Finance costs	434	490	724	2,261	3,220	437	497	747	2,296	3,373
	(f) Depreciation and amortisation expense	1,166	1,205	1,199	4,760	4,667	1,228	1,265	1,249	4,988	4,875
	(g) Other expenses	7,353	7,292	6,530	28,246	26,503	8,130	8,088	7,655	31,613	29,596
	Total expenses (IV)	38,969	39,124	35,820	1,58,383	1,46,939	43,747	44,211	39,829	1,79,052	1,62,675
V	Profit before exceptional items and tax (III - IV)	6,324	8,493	4,898	33,749	16,660	6,525	9,014	5,234	36,879	18,082
VI	Exceptional items	-	(22)	(838)	(22)	(838)	-	(22)	(838)	(22)	(447)
VII	Profit before tax (V - VI)	6,324	8,516	5,736	33,771	17,497	6,525	9,037	6,072	36,901	18,529
VIII	Tax Expenses :										
	Provision for taxation - Current	1,500	2,250	900	8,450	4,225	1,556	2,429	968	9,300	4,604
	- MAT credit	-	-	-	-	-	8	-	-	8	-
	- Earlier year	-	-	730	-	730	-	-	730	-	730
	Provision for deferred taxation	(200)	(200)	(1,550)	(450)	(1,025)	(203)	(195)	(1,512)	(446)	(945)
	Total tax expenses (VIII)	1,300	2,050	80	8,000	3,930	1,360	2,234	186	8,862	4,389
IX	Profit / (Loss) for the Year ( VII - VIII )	5,024	6,466	5,656	25,771	13,567	5,165	6,803	5,886	28,040	14,140
X	Other Comprehensive Income										
	Item that will not be reclassified to statement of Profit and Loss										
	Fair value changes on Investments, net	315	-	279	315	284	315	-	279	315	284
	Remeasurement of defined benefit Liability/Assets, net	26	-	(107)	26	(107)	26	-	(107)	26	(107)
	Total Other Comprehensive Income, net	341	-	173	341	177	341	-	173	341	177
XI	Total Comprehensive Income for the Year (IX+X)	5,365	6,466	5,829	26,112	13,745	5,506	6,803	6,058	28,381	14,317
XII	Weighted average number of equity shares used for computing earning per share (face value of Rs.10 each)	9,320	9,320	9,320	9,320	9,320	9,320	9,320	9,320	9,320	9,320
XIII	Earning per equity share ( in Rs. ) (not annualised)										
	Profit attributable to :										
	Owner of the Company	5,024	6,466	5,656	25,771	13,567	5,165	6,804	5,886	28,041	14,140
	Non- Controlling Interest	-	-	-	-	-	(0.54)	(0.46)	(0.02)	(1.47)	(0.21)
	Total Comprehensive Income attributable to :										
	Owner of the Company	5,365	6,466	5,829	26,112	13,745	5,506	6,804	6,058	28,382	14,317
	Non- Controlling Interest	-	-	-	-	-	(0.54)	(0.46)	(0.02)	(1.47)	(0.21)
	(1) Basic	5.39	6.94	6.07	27.65	14.53	5.54	7.30	6.32	30.09	15.14
	(2) Diluted	5.39	6.94	6.07	27.65	14.53	5.54	7.30	6.32	30.09	15.14

Notes :

- The above results for the Quarter and Year ended 31st March' 2021 have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on 15th May' 2021.
- Pursuant to the approval of the Shareholders recorded through Postal Ballot on September 20, 2020, Company has allotted 6,99,00,000 Bonus Equity Shares of Rs. 10/- each fully paid up on October 5, 2020 in the proportion of 3 Equity Shares for every 1 Equity Share held by the Equity Shareholders of the Company as on the record date of October 1, 2020.
- According to the provisions of IND AS 33, Number of Shares outstanding for the quarter ended and period ended have been proportionately adjusted for the bonus issue in the ratio 3:1 i.e.3 (three) bonus equity Shares for every 1 (one) fully paid equity Share held.
- Company has only one business segment i.e. pharmaceuticals.
- Figures for the previous Quarter have been regrouped or rearranged wherever necessary.
- The aforesaid Audited Financial Results will be uploaded on the Company's website www.aartidrugs.com and will also be available on the website of BSE Limited www.bseindia.com and the National Stock Exchange of India Limited www.nseindia.com for the benefit of the shareholders and investors.

Place: Mumbai  
Date: 15th May' 2021

For AARTI DRUGS LIMITED

HARIT P SHAH  
(Whole Time Director)

## AARTI DRUGS LIMITED

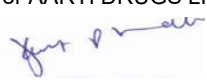
## STATEMENT OF ASSETS AND LIABILITIES AS AT 31st March' 2021

(Rs. in lakhs)

Particulars	Standalone		Consolidated	
	31st Mar 2021	31st Mar 2020	31st Mar 2021	31st Mar 2020
<b>ASSETS</b>				
<b>1 Non - Current Assets</b>				
Property, Plant and Equipment	62,452	60,156	65,925	63,359
Right of use Assets	589	873	589	873
Capital work - in - progress	1,595	1,096	1,926	1,221
Intangible assets	11	129	26	149
Financial Assets				
Investments	2,432	2,038	1,730	1,336
Other Non- Current Assets	609	242	726	312
<b>Total Non- Current Assets</b>	<b>67,688</b>	<b>64,533</b>	<b>70,922</b>	<b>67,250</b>
<b>2 Current Assets</b>				
Inventories	39,038	30,741	41,500	32,540
Financial Assets				
(i) Trade receivable	50,399	46,434	55,523	48,863
(ii) Cash and cash equivalents	381	385	978	764
(iii) Other Current Financial Assets	1,142	1,189	1,272	1,200
Other current assets	5,053	3,787	6,406	6,577
<b>Total Current Assets</b>	<b>96,013</b>	<b>82,536</b>	<b>1,05,680</b>	<b>89,945</b>
<b>Non current Asset held for sale</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>455</b>
<b>TOTAL ASSETS</b>	<b>1,63,701</b>	<b>1,47,070</b>	<b>1,76,601</b>	<b>1,57,650</b>
<b>EQUITY AND LIABILITIES</b>				
<b>1 EQUITY</b>				
Share Capital	9,320	2,330	9,320	2,330
Other Equity	76,641	59,849	82,022	62,919
<b>Total Equity Attributable to Equity Holders of the Company</b>	<b>85,961</b>	<b>62,179</b>	<b>91,342</b>	<b>65,249</b>
<b>Non- Controlling Interests</b>	<b>-</b>	<b>-</b>	<b>(1.68)</b>	<b>(0.21)</b>
<b>Total Equity</b>	<b>85,961</b>	<b>62,179</b>	<b>91,341</b>	<b>65,249</b>
<b>LIABILITIES</b>				
<b>2 Non-current liabilities</b>				
<b>Financial Liabilities</b>				
(i) Borrowings	14,756	17,628	14,756	18,031
(ii) Other financial liability	1,085	1,443	1,089	1,466
Provisions	2,212	2,512	2,167	2,513
Deferred tax liabilities (Net)	7,497	7,859	7,713	8,071
<b>Total of Non current liabilities</b>	<b>25,550</b>	<b>29,442</b>	<b>25,725</b>	<b>30,082</b>
<b>3 Current liabilities</b>				
<b>Financial Liabilities</b>				
(i) Borrowings	14,218	15,461	15,721	15,773
(ii) Trade payables				
Dues of micro enterprises and small enterprises	1,140	795	1,568	1,157
Dues of creditors other micro enterprises and small enterprises	28,163	30,842	31,429	31,798
Provisions	128	214	280	308
Other current liabilities	8,540	8,136	10,538	13,283
<b>Total of current liabilities</b>	<b>52,189</b>	<b>55,449</b>	<b>59,536</b>	<b>62,319</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,63,701</b>	<b>1,47,070</b>	<b>1,76,601</b>	<b>1,57,650</b>

Place: Mumbai  
Date: 15th May' 2021

For AARTI DRUGS LIMITED

  
HARIT P SHAH  
(Whole Time Director)

## AARTI DRUGS LIMITED


## CASH FLOW STATEMENT AS AT 31ST MARCH' 2021

(Rs. in lakhs)

S.No	Particulars	Standalone		Consolidated	
		31st Mar 2021	31st Mar 2020	31st Mar 2021	31st Mar 2020
<b>A.</b>	<b>Cash Flow from Operating Activities</b>				
	Net Profit before Tax	33,771	17,497	36,901	18,529
	<b>ADJUSTMENT FOR:</b>				
	Depreciation & Amortisation	4,760	4,667	4,988	4,875
	Provision for Doubtful debts /Bad debts	6	268	85	275
	Unrealised Foreign Exchange (Gain)/Loss (Net)	71	738	71	738
	Interest Paid	2,261	3,220	2,296	3,373
	Interest Received	(243)	(73)	(260)	(131)
	Dividend Received	(297)	(0)	(297)	(0)
	Assets w/off	304	-	304	-
	Profit on Sale of Assets	(327)	(837)	(327)	(446)
	<b>Operating Profit before Working Capital Changes</b>	<b>40,306</b>	<b>25,480</b>	<b>43,762</b>	<b>27,213</b>
	Trade & Other Receivable	(5,199)	(1,429)	(6,542)	173
	Changes in Inventories	(8,296)	(7,971)	(8,918)	(7,869)
	Trade & Other Payable	(2,625)	7,266	(3,149)	9,645
	<b>Cash generated from operation</b>	<b>24,185</b>	<b>23,346</b>	<b>25,153</b>	<b>29,162</b>
	Direct Taxes Paid	(8,778)	(3,732)	(9,668)	(4,088)
	<b>Net Cash Flow from Operating Activities</b>	<b>15,408</b>	<b>19,615</b>	<b>15,485</b>	<b>25,074</b>
<b>B.</b>	<b>Cash Flow from Investing Activities</b>				
	Purchase of Fixed Assets / Capital Work in Progress/ Advances	(8,067)	(4,708)	(8,813)	(4,799)
	Sale of Fixed Assets/Investments	634	1,700	1,089	1,347
	Interest Received	243	73	260	131
	Dividend Received	297	0	297	0
	<b>Net Cash Flow from Investing Activities</b>	<b>(6,893)</b>	<b>(2,935)</b>	<b>(7,168)</b>	<b>(3,321)</b>
<b>C.</b>	<b>Cash Flow from Financing Activities</b>				
	Proceeds from Long Term Borrowings	(2,703)	(997)	(3,445)	(2,135)
	Proceeds from Unsecured Loans & from Scheduled Bank	(1,243)	(9,173)	(52)	(12,647)
	Buy Back of shares	-	(2,539)	-	(2,539)
	Dividend Paid	(2,321)	(703)	(2,321)	(703)
	Dividend Tax Paid	-	(144)	-	(144)
	Interest Paid	(2,261)	(3,220)	(2,296)	(3,373)
	<b>Net Cash Flow from Financing Activities</b>	<b>(8,528)</b>	<b>(16,776)</b>	<b>(8,113)</b>	<b>(21,541)</b>
	<b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>(13)</b>	<b>(96)</b>	<b>204</b>	<b>213</b>
	<b>Opening Cash and Cash Equivalents</b>	<b>298</b>	<b>394</b>	<b>677</b>	<b>464</b>
	<b>Closing Cash and Cash Equivalents</b>	<b>284</b>	<b>298</b>	<b>881</b>	<b>677</b>

Place: Mumbai  
Date: 15th May' 2021

For AARTI DRUGS LIMITED



HARIT P SHAH  
(Whole Time Director)

## INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF AARTI DRUGS LIMITED

### Report on the audit of the Standalone Financial Results

#### Opinion

We have audited the accompanying standalone quarterly financial results of Aarti Drugs Limited ("the company") for the quarter ended March, 2021 and the year to date results for the period from April 01, 2020 to March 31, 2021, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these standalone financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the quarter ended March 31, 2021 as well as the year to date results for the period from April 01, 2020 to March 31, 2021.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results 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 results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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Kirtane & Pandit LLP - Chartered Accountants  
Bengaluru | Hyderabad | Mumbai | Nashik | Pune

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Regd. Office: 5th Floor, Wing A, Gopal House, S.No. 127/1B/1, Plot-A1, Opp. Harshal Hall, Pune - 411 029, India | T: +91 20 67295100, 25433104, 8764 | F: +91 20 25447603 | www.kirtanepandit.com  
Kirtane & Pandit (a Partnership Firm with Registration No. MPA-3441) converted into Kirtane & Pandit LLP (a Limited Liability Partnership with LLP Registration No. AAD-6418), with effect from 27th March, 2015.

## **Management's Responsibilities for the Standalone Financial Results**

These quarterly financial results as well as the year to date standalone financial results have been prepared on the basis of the interim financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

## **Auditor's Responsibilities for the Audit of the Standalone Financial Results**

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

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

- Identify and assess the risks of material misstatement of the standalone financial results, 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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

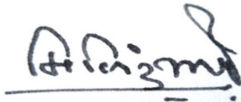


- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on 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 results 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 results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal 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.

**For Kirtane & Pandit LLP,  
Chartered Accountants  
FRN: 105215W/W100057**



**Milind Bhave  
Partner  
M No. 047973**

**UDIN: 21047973AAAAAW3591**

**Place: Mumbai.  
Date: May 15, 2021**

## INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF AARTI DRUGS LIMITED

### Report on the audit of the Consolidated Financial Results

#### Opinion

We have audited the accompanying Statement of Consolidated Financial Results of Aarti Drugs Limited ("Holding company") and its subsidiaries (holding company and its subsidiaries together referred to as "the Group") for the quarter ended March 31, 2021 and for the period from April 01, 2020 to March 31, 2021 ("the Statement"), being submitted by the holding company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on separate financial statements/ financial information of subsidiaries, the Statement:

- a. includes the results of the following entities:
  - i. Pinnacle Life Science Private Limited (Wholly-owned Subsidiary Company)
  - ii. Aarti Speciality Chemicals Limited (Wholly-owned Subsidiary Company)
  - iii. Pinnacle Life Science LLC (Wholly-owned Subsidiary Company) (Closed w.e.f.10<sup>th</sup> February, 2021)
  - iv. Pinnacle Chile SPA (Subsidiary Company)
- b. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations, as amended; and
- c. gives a true and fair view, in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of consolidated total comprehensive income (comprising of net profit) and other comprehensive income and other financial information for the Group for the quarter ended and year ended March 31, 2021.



Kirtane & Pandit LLP - Chartered Accountants  
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## **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group 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 other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors is sufficient and appropriate to provide a basis for our opinion.

## **Management's Responsibilities for the Consolidated Financial Results**

These consolidated financial results have been prepared on the basis of the annual financial statements.

The Holding Company's Board of Directors are responsible for the preparation and presentation of these Consolidated financial results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated financial results by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated financial results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.



## Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated financial results 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 a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated financial results.

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

- Identify and assess the risks of material misstatement of the Consolidated financial results, 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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 Consolidated financial results 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the Consolidated Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.



We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal 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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

### **Other Matters**

The Consolidated Financial Results include the audited Financial Results of 2 Wholly-owned Subsidiary Companies whose interim Financial Statements / Financial Results / Financial Information reflect Group's share of total revenue of Rs. 6,190.59 Lakhs and Rs. 28,493.97 Lakhs and Group's share of total net profit after tax of Rs. 175.39 Lakhs and Rs. 2522.02 Lakhs for the quarter ended March 31, 2021 and for the period from April 01, 2020 to March 31, 2021 respectively, as considered in the Consolidated Financial Results, which have been audited by their respective independent auditors. The independent auditors' reports on interim Financial Statements / Financial Results / Financial Information of these entities have been furnished to us and our opinion on the Consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

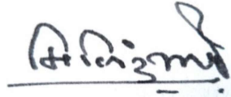
The Consolidated Financial Results include the unaudited Financial Results of a Wholly-Owned Subsidiary and a Subsidiary Company, whose interim Financial Statements / Financial Results / Financial Information reflect Group's share of total revenue of Rs. Nil and Rs. Nil and Group's share of total net loss of Rs. 10.86 Lakhs and Rs. 29.41 Lakhs for the quarter ended March 31, 2021 and for the period from April 01, 2020 to March 31, 2021 respectively, as considered in the Consolidated Financial Results. These unaudited interim Financial Statements / Financial Results / Financial Information have been furnished to us by the Board of Directors and our opinion on the Consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of this Subsidiary Company is based solely on such unaudited interim Financial Statements / Financial Results / Financial Information. In our opinion and according to the information and explanations given to us by the Board of Directors, these interim Financial Statements / Financial Results / Financial Information are not material to the Group.

Our opinion on the Consolidated Financial Results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Financial Results / Financial Information certified by the Board of Directors.



The Financial Results include the results for the quarter ended March, 2021 being the balancing figure between the audited figures in respect of the full financial year and the published audited year to date figures up to the third quarter of the financial year.

**For Kirtane & Pandit LLP,  
Chartered Accountants  
FRN: 105215W/W100057**



**Milind Bhave  
Partner  
M No. 047973**



**UDIN: 21047973AAAAAX8218**

**Place: Mumbai  
Date: May 15, 2021**



**Aarti Drugs Limited**

Manufacturers of : Bulk Drugs & Chemicals

**Corporate Office :** Mahendra Industrial Estate,  
Ground Floor, Plot No. 109-D, Road No. 29,  
Sion (East), Mumbai - 400 022. (India)  
Tel.: 022-2407 2249 / 2401 9025 (30 Lines)  
Fax.: 022-2407 3462 / 2407 0144  
Email: admin@aartidrugs.com  
website: www.aartidrugs.com  
CIN No.:L37060MH1984PLC055433

**Ref: ADL/SE/2021-22**

**May 15, 2021**

To,  
Listing/ Compliance Department  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001

**BSE CODE: 524348**

To,  
Listing/ Compliance Department  
**National Stock Exchange of India Limited,**  
“Exchange Plaza”, Plot No. C/1,  
G Block Bandra - Kurla Complex,  
Bandra (East),  
Mumbai – 400051  
**NSE CODE: AARTIDRUGS**

Dear Sir/Madam,

**Ref:** Compliance of Regulation 33 of SEBI (LODR) Regulations, 2015.

**Sub:** Declaration in respect of Audit Reports with un-modified opinion for the Financial Year ended March 31, 2021.

We hereby confirm and declare that the Statutory Auditors of the Company M/s. Kirtane & Pandit LLP, Chartered Accountants (FRN: 105215W/W100057) have issued the Audit Report with un-modified opinion in respect of Annual Audited Standalone and Consolidated Financial Results for the Financial Year ended March 31, 2021.

Kindly take the same on record.

Thanking you,

Yours faithfully,

**FOR AARTI DRUGS LIMITED**

RUSHIKESH DEOLE

**COMPANY SECRETARY & COMPLIANCE OFFICER**

**ICSI M. No.: A54527**

