

To,
The Board of Directors,
Aarti Drugs Limited
Mahendra Industrial Estate, Ground Floor,
Plot No.109-D, Road No.29,
Sion East, Mumbai 400 022

Dear Sir,

Independent Auditor's certificate as Buy-back of equity shares of Rs. 10/- each of Aarti Drugs Limited (the "Company") in terms of Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (the "Buyback Regulations"), as amended, through Tender Offer ("Buy-back").

1. This certificate is issued in accordance with the terms of our engagement letter dated 17th July, 2023.
2. We, **Kirtane & Pandit LLP, Chartered Accountants (Firm Registration Number 105215W/W100057)**, the Statutory Auditors of Aarti Drugs Limited (the "Company"), have been informed by the Management of the Company that the Board of Directors of the Company has approved a proposed buyback of equity shares of the Company at its meeting held on 21st July 2023, in pursuance of the provisions of Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 as amended (the "Buyback Regulations").
3. The accompanying Statement of debt equity calculation post Buyback of equity shares ("Statement") is prepared by the Management of the Company, which we have initialed for identification purpose only.

MANAGEMENT'S RESPONSIBILITY FOR THE STATEMENT

4. The Management of the Company is responsible for the preparation of the Statement in accordance with the Buyback Regulations, including the calculation of debt equity post buyback of equity shares. The preparation and maintenance of all accounting and other relevant supporting records and documents and all applicable guidelines issued in connection with the proposed buy back of equity shares of the Company and to perform a reasonable assurance engagement on the Statement, which we have initialed for determination purposes only.

AUDITOR'S RESPONSIBILITY FOR THE STATEMENT

5. We have considered Audited Standalone & Consolidated Financial Statements as on 31st March 2023 for the purpose of the calculation of debt equity ratio.
6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

OPINION

7. Based on the procedures performed by us, as stated above and according to the information and explanations given to us, we certify that the debt equity ratio post buyback will be 0.51 & 0.54 in case of Standalone & Consolidated Financial Statements as on 31st March 2023 (Kindly Refer Annexure A).

RESTRICTION ON USE

8. This certificate is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of the Act and the Buyback Regulations, solely to enable the Board of Directors of the Company to include it (a) in the public announcement to be made to the shareholders of the Company, (b) in the draft letter of offer and letter of offer to be filed with Securities & Exchange Board of India, the Stock Exchanges, the Registrar of Companies as required by the Act and the Buyback Regulations, should not be used for any other purpose or by any other person to whom this report is shown or into whose hands it may come without our prior concern in writing..

For Kirtane & Pandit LLP
Chartered Accountants
Firm Registration No: 105215W/W100057

Ametkar

Aditya A. Kanetkar
Partner
M. No. 149037



UDIN: - 23149037BGUGKV2093

Place: Mumbai
Date: 21st July 2023

CC: Inga Ventures Private Limited
1229, Hubtown Solaris,
N.S. Phadke Marg,
Opp. Telli Galli,
Andheri (East) - 400 069

Annexure A
Aarti Drugs Limited
Calculation of Debt Equity Ratio

(Rs. in Lakhs)

Particulars	As on 31 st March, 2023	
	Audited Financial Statements	
Debt ⁽ⁱ⁾ :	Standalone	Consolidated
Long Term Borrowings	16,188.63	20,467.73
Short Term Borrowings	33,242.14	36,054.56
Current Maturities of Long-term Borrowings	3,877.50	4,129.63
Current Maturities of Optionally Convertible Loans		
Total (A)	53,308.27	60,651.91
Equity ⁽ⁱⁱ⁾ :		
Equity Share Capital	9,260.00	9,260.00
Reserve & Surplus	1,02,170.43	1,09,983.47
Less:		
Capital Reserve	(200.74)	(628.27)
Capital Redemption Reserve	(361.98)	(361.98)
Debenture Redemption Reserve	0.00	0.00
Other Reserves	0.00	(50.60)
Other Comprehensive income	(839.27)	(833.92)
	1,10,028.44	1,17,368.71
Less: Amount Earmarked for Proposed Buy-back ⁽ⁱⁱⁱ⁾	5,985.00	5,985.00
Total (B)	1,04,043.44	1,11,383.71
Debt Equity ratio (A/B) post proposed buyback	0.51	0.54

Underlying Assumptions:

- Debt includes all amounts of unsecured and secured debts as defined under section 68 (2) (d) of the Companies Act, 2013.
- Equity is the residual interest in the assets of the enterprise after deducting all its liabilities as defined in the "The framework for the preparation and presentation of financial statements" as issued by the Institute of Chartered Accountants of India, after considering the buy-back as per preceding assumption. Other Comprehensive Income is not included in the above for the calculation of the Debt Equity Ratio.
- It is assumed that the offer for buy back would be availed to the full extent of Rs. 5,985.00 lakhs which is the amount offered for buy back under this offer.

For Kirtane & Pandit LLP
Chartered Accountants
Firm Registration No: 105215W/W100057

Ametkar

Aditya A. Kanetkar
Partner
M. No. 149037

UDIN: **23149037BGUGKV2093**

Place: Mumbai
Date: 21st July 2023

