

**Ref: ADL/SE/2024-25/90**  
**October 24, 2024**

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 SYMBOL: 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 half year ended September 30, 2024.

We wish to inform you that Board of Directors at its Meeting held on **Thursday, October 24, 2024**, approved the Audited Standalone and Consolidated Financial Results for the quarter and half year ended September 30, 2024.

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

- i. Statement showing the Financial Results,
- ii. Statement of Assets and Liabilities,
- iii. Cash Flow Statement,
- iv. Auditor’s Report on the Financial Results.

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 12:00 Noon and concluded at 5:45 PM.

Kindly take the same on record.

Thanking you,

Yours faithfully,

**FOR AARTI DRUGS LIMITED**

**RUSHIKESH DEOLE**  
**COMPANY SECRETARY**  
ICSI M. No.: F12932



# 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

AARTI DRUGS LIMITED							
STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH SEPTEMBER' 2024							
(Rs. in lakhs except for share data)							
Sr. No.	Particulars	Standalone					
		Quarter Ended		Period Ended		Year Ended	
		30th Sept 2024 (Audited)	30th Jun 2024 (Audited)	30th Sept 2023 (Audited)	30th Sept 2024 (Audited)	30th Sept 2023 (Audited)	31st Mar 2024 (Audited)
I	Revenue from operations	54,309	49,296	57,754	1,03,616	1,16,917	2,26,691
II	Other income	38	10	74	49	139	418
III	Total Income ( I + II )	54,347	49,307	57,828	1,03,665	1,17,056	2,27,109
IV	Expenses :						
	(a) Cost of materials consumed	32,701	32,549	39,197	65,261	79,099	1,46,657
	(b) Purchase of stock-in-trade	1,194	942	807	2,136	1,932	3,586
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	2,360	(1,009)	(862)	1,351	(1,590)	2,677
	(d) Employee benefits expense	2,014	2,067	2,004	4,081	4,070	8,098
	(e) Finance costs	717	746	755	1,463	1,532	3,016
	(f) Depreciation and amortisation expense	1,186	1,171	1,178	2,357	2,353	4,767
	(g) Other expenses	10,086	9,326	10,065	19,412	19,672	39,059
	Total expenses (IV)	50,258	45,791	53,145	96,060	1,07,069	2,07,861
V	Profit before exceptional items and tax (III - IV)	4,089	3,516	4,683	7,605	9,987	19,248
VI	Exceptional items	-	-	-	-	-	-
VII	Profit before tax (V - VI)	4,089	3,516	4,683	7,605	9,987	19,248
VIII	Tax Expenses :						
	Provision for taxation - Current	850	775	1,100	1,625	2,375	4,960
	- Earlier year	-	-	-	-	-	-
	Provision for deferred taxation	200	50	125	250	200	100
	Total tax expenses (VIII)	1,050	825	1,225	1,875	2,575	5,060
IX	Profit / (Loss) for the Year ( VII - VIII )	3,039	2,691	3,458	5,730	7,412	14,133
X	Other Comprehensive Income						
	<b>Item that will not be reclassified to statement of Profit and Loss</b>						
	Fair value changes on Investments, net	-	-	-	-	-	117
	Remeasurement of defined benefit Liability/Assets, net	-	-	-	-	-	21
	Total Other Comprehensive Income, net	-	-	-	-	-	139
XI	Total Comprehensive Income for the Year (IX+X)	3,039	2,691	3,458	5,730	7,412	14,327
XII	Weighted average number of equity shares used for computing earning per share (face value of Rs.10 each)	9,127	9,194	9,194	9,127	9,194	9,194
	Profit attributable to :						
	Owner of the Company	3,039	2,691	3,458	5,730	7,412	14,138
	Non- Controlling Interest	-	-	-	-	-	-
	Total Comprehensive Income attributable to :						
	Owner of the Company	3,039	2,691	3,458	5,730	7,412	14,327
	Non- Controlling Interest	-	-	-	-	-	-
XIII	Earning per equity share ( in Rs.) (not annualised)						
	(1) Basic	3.33	2.93	3.75	6.28	8.02	15.35
	(2) Diluted	3.33	2.93	3.75	6.28	8.02	15.35

### Notes:

- The above results for the Quarter & Period ended 30th September, 2024 have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on 24th October, 2024.
- The company has completed the buyback of 6,65,000 equity shares of face value Rs.10/- representing up to 0.72% of the total number of Equity Shares of the Company at a price of Rs. 900/- per Equity Share (including premium of Rs. 890/- per Equity Share) payable in cash for an aggregate amount of up to Rs. 59,85,00,000/- (excluding filing fees payable to the SEBI; advisors' fees, stock exchanges fee for usage of their platform for Buyback, transaction costs viz. brokerage, applicable taxes inter alia including Buyback tax, securities transaction tax, GST stamp duty, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses etc.) ("Buyback Size"). The settlement of all valid bids was completed by Indian Clearing Corporation Limited and the National Securities Clearing Corporation (collectively referred to as the "Clearing Corporations") on September 24, 2024. The shares bought back were extinguished electronically on September 26, 2024. Post buyback Paid up Share Capital of the Company reduced to Rs. 91,27,00,000 divided into 9,12,70,000 Equity Shares of Rs.10/- each.
- 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.co.in 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: 24th October 2024



For AARTI DRUGS LIMITED

Prakash M. Patil  
DIN :0005618  
(Chairman, Managing Director&CEO)



# Aarti Drugs Limited

Manufacturers of : Bulk Drugs & Chemicals

**Corporate Office :** Mahendra Industrial Estate,  
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AARTI DRUGS LIMITED							
STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH SEPTEMBER' 2024							
(Rs. in lakhs except for share data)							
Sr. No.	Particulars	Consolidated					
		Quarter Ended			Period Ended		Year Ended
		30th Sept 2024	30th Jun 2024	30th Sept 2023	30th Sept 2024	30th Sept 2023	31st Mar 2024
		(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
I	Revenue from operations	59,833	55,534	64,154	1,15,367	1,30,264	2,52,858
II	Other income	148	111	69	259	129	403
III	<b>Total Income ( I + II )</b>	<b>59,981</b>	<b>55,645</b>	<b>64,222</b>	<b>1,15,626</b>	<b>1,30,393</b>	<b>2,53,261</b>
IV	Expenses :						
	(a) Cost of materials consumed	34,558	34,779	39,566	69,337	80,427	1,57,198
	(b) Purchase of stock-in-trade	2,957	1,754	4,218	4,711	8,160	8,023
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	1,885	(551)	(881)	1,333	(1,049)	2,551
	(d) Employee benefits expense	2,656	2,643	2,545	5,299	5,092	10,234
	(e) Finance costs	893	871	825	1,765	1,679	3,352
	(f) Depreciation and amortisation expense	1,372	1,338	1,261	2,709	2,521	5,145
	(g) Other expenses	11,073	10,414	11,061	21,487	21,583	43,206
	<b>Total expenses (IV)</b>	<b>55,393</b>	<b>51,247</b>	<b>58,595</b>	<b>1,06,640</b>	<b>1,18,413</b>	<b>2,29,708</b>
V	Profit before exceptional items and tax (III - IV)	4,588	4,398	5,627	8,986	11,980	23,552
VI	Exceptional items	-	-	-	-	-	-
VII	Profit before tax (V - VI)	4,588	4,398	5,627	8,986	11,980	23,553
VIII	Tax Expenses :						
	Provision for taxation - Current	879	1,002	1,541	1,880	3,019	5,956
	- Earlier year	-	-	-	-	-	-
	Provision for deferred taxation	213	69	126	282	203	437
	<b>Total tax expenses (VIII)</b>	<b>1,092</b>	<b>1,071</b>	<b>1,666</b>	<b>2,162</b>	<b>3,223</b>	<b>6,394</b>
IX	Profit / (Loss) for the Year ( VII - VIII )	3,496	3,327	3,960	6,823	8,757	17,159
X	Other Comprehensive Income						
	Item that will not to be reclassified to statement of Profit and Loss						
	Fair value changes on Investments, net	-	-	-	-	-	117
	Remeasurement of defined benefit Liability/Assets, net	-	-	-	-	-	17
	Foreign currency translation reserve	35	42	-	77	-	(128)
	Total Other Comprehensive Income, net	35	42	-	77	-	6
XI	Total Comprehensive Income for the Year (IX+X)	3,531	3,369	3,960	6,901	8,757	17,165
XII	Weighted average number of equity shares used for computing earning per share (face value of Rs.10 each)	9,127	9,194	9,194	9,127	9,194	9,194
	Profit attributable to :						
	Owner of the Company	3,501	3,324	3,959	6,825	8,744	17,142
	Non- Controlling Interest	-4.57	2.89	1.39	-1.68	13.12	17.25
	Total Comprehensive Income attributable to :						
	Owner of the Company	3,534	3,364	3,959	6,898	8,744	17,154
	Non- Controlling Interest	-2.82	4.99	1.39	2.18	13.12	10.85
XIII	Earning per equity share ( in Rs. ) (not annualised)						
	(1) Basic	3.83	3.62	4.29	7.48	9.47	18.56
	(2) Diluted	3.83	3.62	4.29	7.48	9.47	18.56

**Notes :**

- The above results for the Quarter & Period ended 30th September, 2024 have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on 25th October, 2024.
- The company has completed the buyback of 6,65,000 equity shares of face value Rs.10/- representing up to 0.72% of the total number of Equity Shares of the Company at a price of Rs. 900/- per Equity Share (including premium of Rs. 890/- per Equity Share) payable in cash for an aggregate amount of up to Rs. 59,85,00,000/- (excluding filing fees payable to the SEBI, advisors' fees, stock exchanges fee for usage of their platform for Buyback, transaction costs viz. brokerage, applicable taxes inter alia including Buyback tax, securities transaction tax, GST; stamp duty, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses etc.) ("Buyback Size"). The settlement of all valid bids was completed by Indian Clearing Corporation Limited and the National Securities Clearing Corporation (collectively referred to as the "Clearing Corporations") on September 24, 2024. The shares bought back were extinguished electronically on September 26, 2024. Post buyback Paid up Share Capital of the Company reduced to Rs. 91,27,00,000 divided into 9,12,70,000 Equity Shares of Rs.10/- each.
- 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.co.in and will also be available on the website of BSE Ltd. www.bseindia.com and the National Stock Exchange of India Limited www.nseindia.com for the benefit of the shareholders and investors.

For AARTI DRUGS LIMITED

Prakash M. Patil  
CIN :00005618  
(Chairman, Managing Director&CEO)

Place: Mumbai  
Date: 24th October' 2024





# Aarti Drugs Limited

Manufacturers of : Bulk Drugs & Chemicals

Corporate Office : Mahendra Industrial Estate,  
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website: www.aartidrugs.com  
CIN No.:L37060MH1984PLC055433

AARTI DRUGS LIMITED				
STATEMENT OF ASSETS AND LIABILITIES AS AT 30th Sept' 2024				
Particulars	Standalone		Consolidated	
	30th Sept 2024	31st Mar 2024	30th Sept 2024	31st Mar 2024
<b>ASSETS</b>				
<b>1 Non - Current Assets</b>				
Property, Plant and Equipment	74,452	72,033	83,348	80,816
Right of use Assets	189	175	189	175
Capital work - in - progress	24,346	22,162	29,869	26,087
Intangible assets	16	21	224	118
Financial Assets				
Investments	2,997	2,997	1,997	1,997
Other Non- Current Assets	1,577	1,671	1,740	1,970
<b>Total Non- Current Assets</b>	<b>1,03,577</b>	<b>99,060</b>	<b>1,17,367</b>	<b>1,11,164</b>
<b>2 Current Assets</b>				
Inventories	42,759	44,177	47,000	48,589
Financial Assets				
(i) Trade receivable	60,070	64,395	68,255	70,455
(ii) Cash and cash equivalents	335	272	1,134	674
(iii) Other Bank Balances	115	110	278	269
(iv) Current Loan	15	19	26	24
(v) Other Current Financial Assets	1,542	1,132	1,544	1,134
Other current assets	3,805	7,997	7,156	10,927
Current Tax Assets (Net)	-	-	196	-
<b>Total Current Assets</b>	<b>1,08,641</b>	<b>1,18,102</b>	<b>1,25,588</b>	<b>1,32,072</b>
<b>TOTAL ASSETS</b>	<b>2,12,218</b>	<b>2,17,162</b>	<b>2,42,955</b>	<b>2,43,236</b>
<b>EQUITY AND LIABILITIES</b>				
<b>1 EQUITY</b>				
Share Capital	9,127	9,194	9,127	9,194
Other Equity	1,06,806	1,08,527	1,18,613	1,18,961
<b>Total Equity Attributable to Equity Holders of the Company</b>	<b>1,15,933</b>	<b>1,17,521</b>	<b>1,27,740</b>	<b>1,28,155</b>
Non- Controlling Interests	-	-	38.90	40.58
<b>Total Equity</b>	<b>1,15,933</b>	<b>1,17,521</b>	<b>1,27,779</b>	<b>1,28,195</b>
<b>LIABILITIES</b>				
<b>2 Non-current liabilities</b>				
<b>Financial Liabilities</b>				
(i) Borrowings	25,670	23,826	28,814	27,533
(ii) Lease Liability	108	91	108	91
(iii) Other financial liability	17	17	17	17
Provisions	274	274	274	274
Deferred tax liabilities (Net)	7,223	6,973	7,852	7,571
<b>Total of Non current liabilities</b>	<b>33,292</b>	<b>31,181</b>	<b>37,066</b>	<b>35,486</b>
<b>3 Current liabilities</b>				
<b>Financial Liabilities</b>				
(i) Borrowings	24,077	23,460	29,997	28,709
(ii) Lease Liability	91	95	91	95
(iii) Other Financial Liabilities	1,860	2,556	1,952	2,633
(iv) Trade payables				
Dues of micro enterprises and small enterprises	1,793	2,446	2,409	2,944
Dues of creditors other: micro enterprises and small enterprises	31,928	36,383	37,353	39,605
Provisions	115	153	560	295
Other current liabilities	3,092	2,617	5,749	5,156
Current Tax Liabilities (Net)	36	250	-	118
<b>Total of current liabilities</b>	<b>62,992</b>	<b>68,460</b>	<b>78,111</b>	<b>79,554</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,12,218</b>	<b>2,17,162</b>	<b>2,42,955</b>	<b>2,43,236</b>

Place: Mumbai  
Date: 24th October' 2024



For AARTI DRUGS LIMITED

Prakash M. Petii  
DIN :00005618  
(Chairman, Managing Director&CEO)



# Aarti Drugs Limited

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website: www.aartidrugs.com  
CIN No.:L37060MH1984PLC055433

AARTI DRUGS LIMITED					
CASH FLOW STATEMENT AS AT 30th Sept' 2024				(Rs. in lakhs)	
S.No	Particulars	Standalone		Consolidated	
		30th Sept 2024	30th Sept 2023	30th Sept 2024	30th Sept 2023
<b>A.</b>	<b>Cash Flow from Operating Activities</b>				
	Net Profit before Tax and Exceptional Items	7,605	9,987	8,986	11,980
	<b>ADJUSTMENT FOR:</b>				
	Depreciation & Amortisation	2,357	2,353	2,709	2,521
	Provision for Doubtful debts /Bad debts	100	122	130	167
	Unrealised Foreign Exchange (Gain)/Loss (Net)	(8)	0	(22)	(224)
	Interest Paid	1,463	1,532	1,765	1,679
	Interest Received	(4)	(1)	(10)	(3)
	(Gain)/Loss on Sale of Mutual fund	(27)	-	(27)	-
	Capex w/off	123	-	123	-
	Investment W/off	-	29	-	29
	Profit on Sale of Assets	(2)	-	(2)	18
	<b>Operating Profit before Working Capital Changes</b>	<b>11,607</b>	<b>14,023</b>	<b>13,651</b>	<b>16,168</b>
	Trade & Other Receivable	8,006	14,518	11,285	18,008
	Changes in Inventories	1,418	1,033	1,590	835
	Trade & Other Payable	(5,016)	(5,226)	(7,571)	(10,214)
	<b>Cash generated from operation</b>	<b>16,015</b>	<b>24,347</b>	<b>18,955</b>	<b>24,797</b>
	Direct Taxes Paid	(1,839)	(2,526)	(2,142)	(2,911)
	<b>Net Cash Flow from Operating Activities</b>	<b>14,176</b>	<b>21,821</b>	<b>16,813</b>	<b>21,886</b>
<b>B.</b>	<b>Cash Flow from Investing Activities</b>				
	Purchase of Fixed Assets / Capital Work in Progress/ Advances/R&D	(6,921)	(9,855)	(8,972)	(10,930)
	Sale of PPE	3	-	3	19
	Purchase/Sale of Mutual fund(net)	27	-	27	-
	Interest Received	4	1	10	3
	<b>Net Cash Flow from Investing Activities</b>	<b>(6,887)</b>	<b>(9,854)</b>	<b>(8,933)</b>	<b>(10,959)</b>
<b>C.</b>	<b>Cash Flow from Financing Activities</b>				
	Proceeds from Long Term Borrowings	5,000	4,250	5,000	4,531
	Repayment of Long Term Borrowings	(4,284)	(3,038)	(4,847)	(3,038)
	Proceeds/(Repayment) from Short Term Borrowings	613	(4,550)	1,284	(3,274)
	Buy Back of shares	(5,985)	(5,985)	(5,985)	(5,985)
	Buyback Tax	(1,332)	(1,332)	(1,332)	(1,332)
	Dividend Paid	5	(7)	5	(7)
	Interest Paid	(1,243)	(1,294)	(1,544)	(1,440)
	<b>Net Cash Flow from Financing Activities</b>	<b>(7,226)</b>	<b>(11,957)</b>	<b>(7,420)</b>	<b>(10,546)</b>
	<b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>63</b>	<b>11</b>	<b>460</b>	<b>382</b>
	Opening Cash and Cash Equivalents	272	210	674	838
	Closing Cash and Cash Equivalents	335	221	1,134	1,220

Place: Mumbai  
Date: 24th October' 2024



For AARTI DRUGS LIMITED

*Prakash M. Patil*  
Prakash M. Patil  
DIN :00005618  
(Chairman, Managing Director&CEO)

**Independent Auditors' Report on Audit of Standalone Financial Results**

To Board of Directors of  
Aarti Drugs Limited

**Report on Audit of Standalone Financial Results****Opinion**

We have audited the accompanying standalone financial results of Aarti Drugs Limited ("the Company") for quarter ended 30 September 2024 and the year-to-date results for the period from 1 April 2024 to 30 September 2024 ("the financial results") 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 financial results:

1. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
2. give a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS-34") prescribed under section 133 of the Companies Act 2013 read with relevant rules thereunder and other accounting principles generally accepted in India of the net profit and total other comprehensive income, and other financial information of the Company for quarter ended 30 September 2024 as well as the year-to-date results for the period from 1 April 2024 to 30 September 2024.

**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 SAs 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 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 on the standalone financial results.

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

These quarterly and 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 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 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 management and 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 management and the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **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 financial results.

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

- Identify and assess the risks of material misstatement of the standalone financial 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 management and the Board of Directors in terms of 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.
- Obtain sufficient appropriate audit evidence regarding the financial results of the Company to express an opinion on the financial results.





Materiality is the magnitude of misstatements in the standalone financial results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial results 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 results.

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 Gokhale & Sathe,  
Chartered Accountants,  
Firm Registration No.: 103264W

Ravindra More  
Partner  
Membership No. 153666  
UDIN: 24153666BKDAEY8181



Date: 24 October 2024  
Place: Mumbai





## **Independent Auditors' Report on Audit of Consolidated Financial Results**

To Board of Directors of  
Aarti Drugs Limited

### **Report on Audit of Consolidated Financial Results**

#### **Opinion**

We have audited the accompanying consolidated financial results of Aarti Drugs Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred as "the Group") for quarter ended 30 September 2024 and the year-to-date results for the period from 1 April 2024 to 30 September 2024 ("the financial results") 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, and based on the consideration of the reports of the other auditors on separate financial statements/ financial information of subsidiaries (refer other matter paras), the Statement:

1. include the results of the following subsidiaries:
  - i. Pinnacle Life Science Private Limited
  - ii. Aarti Specialty Chemical Limited
  - iii. Pinnacle Chile SPA
2. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
3. give a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS-34") prescribed under section 133 of the Companies Act 2013 read with relevant rules thereunder and other accounting principles generally accepted in India of the consolidated net profit and consolidated total other comprehensive income and other financial information of the Group for quarter ended 30 September 2024 as well as the year-to-date results for the period from 1 April 2024 to 30 September 2024.

#### **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 SAs 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 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 obtained by us and other auditors in terms of their reports referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion.





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

These quarterly and year-to-date consolidated financial results have been prepared on the basis of the interim financial statements. The Holding 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 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

This responsibility also include 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 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 results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial results, the respective management and the 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 management and the Board of Directors either intends to liquidate the entity 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.

### **Auditors' 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 financial results.

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

- Identify and assess the risks of material misstatement of the consolidated financial 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 Group's internal control.





- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management and the Board of Directors in terms of 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 Group'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 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 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.

Materiality is the magnitude of misstatements in the consolidated financial results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial results 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 consolidated financial results.

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.

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





**Other Matters**

1) Financial Results of Subsidiaries not audited by us.

The consolidated financial results include the reviewed financial results of one of the foreign subsidiary, whose interim financial results / financial information reflects total asset of Rs. 4,938.45 Lakhs as at 30 September 2024 and total revenues of Rs. 1,506.48 lakhs and Rs. 3,328.16 Lakhs and total net loss after tax of Rs. 110.59 Lakhs and Rs. 33.52 Lakhs for the quarter ended 30 September 2024 and for the period 1 April 2024 to 30 September 2024 respectively, and cash outflows (net) of Rs. 124.80 Lakhs for the period from 1 April 2024 to 30 September 2024 as considered in the consolidated financial results, which have been reviewed by their respective independent auditor. The independent auditors' review reports on Interim 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 entity, is based solely on the review report of such auditor and the procedures performed by us are as stated in paragraph above.

Our conclusion is not modified in respect of this matter.

For Gokhale & Sathe,  
Chartered Accountants,  
Firm Registration No.: 103264W

Ravindra More  
Partner  
Membership No. 153666  
UDIN: 24153666BKDAEZ4499



Date: 24 October 2024  
Place: Mumbai