



**Aarti Drugs Limited**

Manufacturers of : Bulk Drugs & Chemicals

**Corporate Office :** Mahendra Industrial Estate,  
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Sion (East), Mumbai - 400 022. (India)  
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CIN No.:L37060MH1984PLC055433

Ref. No.: ADL/SE/2020-21

**March 6, 2021**

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

To,  
Listing/ Compliance Department  
**National Stock Exchange of India  
Limited**  
“Exchange Plaza”, Plot No C/1,  
G Block, Bandra Kurla Complex,  
Bandra (E), Mumbai 400 051

**BSE CODE: 524348**

**NSE CODE: AARTIDRUGS**

Sir/ Madam,

**Sub:-** Press Release with regards to approval of PLI application

Please find attached the press release on the approval of PLI application by Aarti Speciality Chemicals Limited, a Wholly-owned Subsidiary of Aarti Drugs Limited.

Kindly take the same on record.

Thanking you,

Yours Faithfully,  
**FOR AARTI DRUGS LIMITED**

RUSHIKESH DEOLE  
**COMPANY SECRETARY & COMPLIANCE OFFICER**  
ICSI M. NO.:- A54527



## Press Release

### **Aarti Speciality Chemicals Limited, a wholly-owned subsidiary of Aarti Drugs Limited receives an approval accorded under Production Linked Incentive (PLI) Scheme for Pharmaceutical Sector**

**Mumbai, March 06, 2021:** Aarti Speciality Chemicals Limited (ASCL), a wholly-owned subsidiary of Aarti Drugs Limited (Aarti Drugs), stands out to be one of the beneficiaries of the Government of India's recently approved Production Linked Incentive (PLI) for the Pharmaceutical Sector.

Government of India's Department of Pharmaceuticals under the Ministry of Chemicals and Fertilizers recently launched a Production Linked Incentive (PLI) Scheme to promote domestic manufacturing by incentivising pharmaceutical manufacturers to set-up greenfield projects in India with a minimum domestic value addition in four different target segments (Two in Fermentation based - at least 90% and Two in the Chemical Synthesis based – at least 70%) with a total outlay of Rs. 6,940 crores. The objective of the scheme is achieving self-reliance and reducing import dependence in these critical 'Key Starting Materials (KSMs)/ Drug Intermediates/ Active Pharmaceutical Ingredients (APIs)' in the country. The tenure of the scheme is from FY21 to FY30.

The applications under four different Target Segments were invited with 30 November 2020 as the last date. In total, 215 applications were received for the 41 products spread across the 4 Target Segments.

Aarti Speciality Chemicals Limited, a wholly-owned subsidiary of Aarti Drugs Limited received approval for 2-Methyl-5Nitro-Imidazole (2-MNI) with a committed production capacity of 4,000 MT per annum under Target Segment III (Key Chemical Synthesis Based KSMs/Drug Intermediates). The rate incentive will be 10 per cent of sales value per annum for a period of 6 years - FY23 to FY28.

**Commenting on the Government's approval Mr. Adhish Patil, Chief Financial Officer – Aarti Drugs Limited said:**

*"We welcome the government's approval to our application under PLI scheme to manufacture 2-Methyl-5Nitro-Imidazole (2-MNI) with a committed production capacity of 4,000 MT per annum. This is a very positive development for us, as it will help the company to diversify its product portfolio, increase the top-line and enhance the profitability & margin profile of the company.*

*Backed by a strong Balance Sheet, and robust free cash flow generation, the committed capex will be funded through a mix of debt and internal accruals. We are expecting the capex for this project to be spread over a period of 18 months. This will further reduce our dependence on imports.*

*As a strategy, we have always focussed on import substitution and will continue to pursue various opportunities. We remain committed to "Atmanirbhar Bharat" vision of the Government."*

## **About Aarti Drugs Limited**

Aarti Drugs Limited was established in the year 1984 and forms part of \$1000 Million Aarti Group of Industries with robust R&D Division at Tarapur, Maharashtra Industrial Development Corporation (MIDC) in close vicinity to manufacturing locations. The Company is engaged in the manufacturing of Active Pharmaceutical Ingredients (APIs), Pharma Intermediates, Speciality Chemicals and produces Formulations with its wholly-owned subsidiary- Pinnacle Life Science Private Limited. Products under APIs include Ciprofloxacin Hydrochloride, Metronidazole, Metformin HCL, Ketoconazole, Ofloxacin etc. whereas Specialty Chemicals includes Benzene Sulphonyl Chloride, Methyl Nicotinate etc.

For more information, please visit [www.aartidrugs.com](http://www.aartidrugs.com)

## **Safe Harbor**

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

## **For more information please contact:**



### **Aarti Drugs Limited**

CIN: L37060MH1984PLC055433

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### **Strategic Growth Advisors Pvt. Ltd.**

CIN: U74140MH2010PTC204285

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