



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

Dear Sir / Madam,

Independent Auditor's Report in connection with proposed buyback of 6,65,000 equity shares of face value 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 ("Buyback").

1. This report is issued in accordance with the terms of our engagement letter dated 24th August 2024.
2. We, Gokhale & Sathe, Chartered Accountants (Firm Registration Number 103264), 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 and has passed resolution for a proposed buyback of equity shares of the Company at its meeting held on 26th August 2024, in pursuance of the provisions of Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 as amended (the "Buyback Regulations").

MANAGEMENT'S RESPONSIBILITY FOR THE STATEMENT

3. The Management of the Company is responsible for the preparation of the Statement in accordance with the Buyback Regulations, including adequate internal accruals / reserves & surplus and firm financial resources, specifically liquid investments available with the Company as on 31st March 2024 to meet its obligation under the buyback. 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 initiated for determination purposes only.
4. Management confirms that it intends to meet the buyback obligation from its internal sources / accruals as available / invested in accounts / investments mentioned Annexure 1.

AUDITOR'S RESPONSIBILITY FOR THE STATEMENT

5. We have considered Audited Standalone Financial Statements and Audited Consolidated Financial Statements as on 31st March 2024 for the purpose of the liquid investments available with company to meet its obligation under the buyback.
6. We have relied upon the declaration of solvency of the company furnished to us by the management.





7. 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

8. Based on the representations made by the Management of the Company and resolution passed by the Board of Directors at their meeting held on 26th August 2024 and declaration of solvency by the directors which has been provided to us, we certify that the Company has adequate internal accruals/reserves and surplus and firm financial resources (i.e. existing cash and cash equivalents including short term investments) as on 26th August 2024 to meet its obligations under the Buyback.

RESTRICTION ON USE

9. This certificate is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of the Companies Act, 2013 and the Buyback Regulations, solely to enable the Board of Directors of the Company and can be used only by the addressees and Inga Ventures Private Limited (Merchant Banker) to the buyback / reproduce in the relevant documents and to be filed with Securities & Exchange Board of India, the Stock Exchanges as required by the Companies Act, 2013 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. We accept no duty or responsibility to and deny any liability to any other third party in respect of any such use of this letter.

For Gokhale & Sathe,
Chartered Accountants,
Firm Registration Number: 103264W

Ravindra More
Partner
Membership No: 153666
UDIN: 24153666BKDADR8347



Date: 26th August 2024
Place: Mumbai

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



Annexure I

Details of Liquid Investments as on 26th August 2024. (At Cost)

Sr. No.	Particulars	Amounts (Rs. in lakhs)
1	Bank balance in EEFC Account	1,261.05
2	Investments in Mutual Funds	4,800.00
	Total	6,061.05

