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

Ref. No: ADL/SE/2G/2010/120
Date : 29th October, 2010.

TO
THE DEPARTMENT OF CORPORATE SERVICES
BOMBAY STOCK EXCHANGE LTD.
PHIROZE JEEJEEBHOY TOWERS,
DALAL STREET,
MUMBAI - 400 001.

BSE CODE - 524348

TO
THE SECRETARY
THE NATIONAL STOCK EXCHANGE OF INDIA LTD.,
EXCHANGE PLAZA, 5TH FLOOR,
PLOT NO.C/1,G BLOCK,
BANDRA-KURLA COMPLEX,
BANDRA (E),
MUMBAI - 400 051.

NSE CODE: AARTIDRUGS

Dear Sir/Madam,

Ref : Compliance of Clause 41 of the Listing Agreement.
Sub: Audited Financial Results for the quarter & half year ended 30th September, 2010.

In terms of Clause 41 of the Listing Agreement, we are forwarding herewith the Audited Financial Results along with Auditor's Report on Financial Results of the Company for the quarter & half year ended 30th September, 2010 in the prescribed form which have been taken on record by the Board of Directors of the Company at its meeting held on Friday, 29th October, 2010 at Mumbai.

Further, please note that the Company has already made necessary arrangement to publish the same in the newspapers as required under the Listing Agreement.

Please take note of the same on your record.

Thanking you,

Yours faithfully,
For **AARTI DRUGS LIMITED**

Dilip Maharana
Company Secretary
Encl: as above.

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AUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2010

(₹ In Lacs except per share data)

PARTICULARS	Quarter Ended 30th Sept 10	Quarter Ended 30th Sept 09	Half Year Ended 30th Sept 2010	Half Year Ended 30th Sept 2009	Year ended 31st Mar 2010
1.Gross Sales / Income from operations	**11,444**	12,601	**23,659**	24,437	49,695
Less : Excise Duty & Sales Tax	**605**	633	**1,315**	1,270	2,553
(a) Net Sales / Income from operations	**10,839**	11,968	**22,344**	23,167	47,142
(b) Other Operating Income	-	-	-	-	-
2. Expenditure					
(a). (Increase) / Decrease in stock in trade & WIP	**(838)**	(323)	**(1,264)**	(104)	376
(b). Consumption of raw materials.	**6,387**	6,321	**12,355**	11,855	23,179
(c). Purchase of Traded Goods	**1,721**	2,025	**3,951**	3,755	8,202
(d). Employees cost	**401**	346	**805**	667	1,362
(e). Depreciation	**377**	334	**738**	662	1,352
(f). Other expenditure	**1,739**	1,726	**3,547**	3,160	6,859
(g). Total Expenditure	**9,787**	10,429	**20,132**	19,995	41,330
3. Profit from Operations before Other Income, Interest & Exceptional Item	**1,051**	1,539	**2,212**	3,173	5,811
4. Other Income	**4**	29	**5**	31	45
5. Profit before Interest & Exceptional Items	**1,055**	1,568	**2,217**	3,204	5,856
6. Interest	**288**	409	**562**	832	1,474
7. Profit after Interest but before Exceptional Items	**767**	1,159	**1,655**	2,372	4,382
8. Exceptional Items	-	-	-	-	-
9. Profit from Ordinary Activities before Tax	**767**	1,159	**1,655**	2,372	4,382
10. Tax Expenses (Includes)	**249**	482	**540**	962	1,772
Provision for Taxation	**179**	414	**402**	827	1,502
Provision for Deffered Taxation	**70**	68	**138**	135	270
11. Net profit from ordinary Activities after Tax	**518**	677	**1,116**	1,410	2,610
12. Extraordinay Item (net of tax expenses)	-	-	-	-	-
13. Net Profit for the period	**518**	677	**1,116**	1,410	2,610
14. Paid-up Equity Share Capital of Rs.10/- each.	**1,211**	1,171	**1,211**	1,171	1,211
15. Reserves & Surplus (excluding revaluation reserves)	-	-	-	-	12,898
16. Basic E P S(in Rs.)	**4.28**	5.79	**9.21**	12.04	22.08
17. Public shareholding					
-Number of Shares	**5827828**	5864219	**5827828**	5864219	6051226
-Percentage of Total Shareholding	**48.13**	50.08	**48.13**	50.08	49.97
18.Promoters & Promoter Group Shareholding**					
a) Pledged/Encumbered					
- Number of Shares	**NIL**	NIL	**NIL**	NIL	NIL
-Percentage of shares(as a percentage of the total shareholding of promoter and promoter group)	**NIL**	NIL	**NIL**	NIL	NIL
-Percentage of shares(as a percentage of total sharecapital of the Company)	**NIL**	NIL	**NIL**	NIL	NIL
b) Non-encumbered					
- Number of Shares	**6280722**	5844331	**6280722**	5844331	6057324
-Percentage of shares(as a percentage of total shareholding of promoter and promoter group)	**100**	100	**100**	100	100
-Percentage of shares(as a percentage of total sharecapital of the Company)	**51.87**	49.92	**51.87**	49.92	50.03

Notes :

1. **The above results, reviewed by the Audit Committee, have been taken on record by the Board of Directors at their meeting held on 29th October, 2010**
2. **Company is operating as a Single Segment Company, engaged in pharmaceuticals business hence, the disclosure requirement as per AS - 17 'Segment Reporting' is not attracted.**
3. **The figures of the previous periods have been regrouped and rearranged wherever necessary.**
4. **Number of Investors complaints (i) pending at the begaining of quarter 1 (ii) received during the quarter : 7 (iii) redressed : 7 (iv) pending at the end of the quarter : 1.**
5. **Financial results have been affected on account of shut down of Ciprofloxacin & Enrofloxacin plants for about 1 & half months for expansion. These plants are now operational. Metronidazole plant at sarigam has been operational at 50% capacity due to upgradation of treatment facility.**
6. **Statement of Assets and Liabilities as on 30.09.2010 is annexed .**

For and on behalf of the Board
FOR AARTI DRUGS LIMITED

Harshit M Savla
(Jt. Managing Director)

Place : Mumbai
Date : 29th October, 2010

Aarti Drugs Limited

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STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH SEPTEMBER 2010

(₹ In Lacs)

Particulars	As at 30th Sep-10 (Audited)	As at 30th Sep-09 (Unaudited)	As at 31st Mar-10 (Audited)
SHAREHOLDERS FUNDS			
(a) Capital	**1,211**	1,171	1,211
(b) Share Warrants	**-**	21	-
(c) Reserves and Surplus	**14,014**	12,236	12,898
LOAN FUNDS	**21,256**	17,073	17,764
Deffered Tax Liability	**2,117**	1,845	1,980
TOTAL	**38,598**	32,346	33,853
FIXED ASSETS	**20,063**	17,995	18,354
CAPITAL WIP	**939**	-	340
INVESTMENTS	**2,466**	2,138	2,138
CURRENT ASSETS, LOANS AND ADVANCES	**21,861**	19,377	20,032
(a) Inventories	**7,980**	6,024	5,858
(b) Sundry Debtors	**10,943**	11,743	11,845
(c) Cash and Bank balances	**606**	391	365
(d) Other current assets	**223**	204	196
(e) Loans and Advances	**2,110**	1,014	1,768
Less : Current Liabilities and Provisions			
(a) Liabilities	**6,660**	7,164	6,393
(b) Provisions	**71**	-	617
NET WORKING CAPITAL	**15,130**	12,213	13,022
		-	-
		-	
TOTAL	**38,598**	32,346	33,853

For and on behalf of the Board
FOR AARTI DRUGS LIMITED

Harshit M Savla
(Jt. Managing Director)

Place : Mumbai
Date : 29th October, 2010

PARIKH JOSHI & KOTHARE (Regd.)

CHARTERED ACCOUNTANTS

49/2341, M. H. B. Colony,
Gandhi Nagar, Bandra (East),
Mumbai 400 051.

Tele: 26451439/26515396
Fax : 91-22-2645 5867
Email: pjk@mtnl.net.in

Auditors' Report On Half-yearly Financial Results and Year to Date Results of Aarti Drugs Ltd Pursuant to the Clause 41 of the Listing Agreement

To
Board of Directors of Aarti Drugs Ltd

We have audited the half-yearly financial results of Aarti Drugs Ltd for the half-year ended 30th September 2010 and the year to date results for the period 1st April 2010 to 30th September 2010 attached herewith, being submitted by the company pursuant to the requirement of clause 41 of the Listing Agreement except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. These half-yearly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us these half-yearly financial results as well as the year to date results:

(i) are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
(ii) give a true and fair view of the net profit and other financial information for the half-year ended 30th September 2010 and the year to date results for the period 1st April 2010 to 30th September 2010.

Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of non promoter shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

For PARIKH JOSHI & KOTHARE
CHARTERED ACCOUNTANTS
Firm Registration No: 107547W

CA YATIN R. VYAVAHARKAR
PARTNER
M.No. 33915

Mumbai, Dated: October 29, 2010