



**AARTI  
INDUSTRIES  
LIMITED**

February 5, 2022

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

**BSE CODE –524208**

Dear Sir/Madam,

To,  
Listing/Compliance Department  
**National Stock Exchange of  
India Limited**  
“Exchange Plaza”, Plot No. C/1,  
G Block Bandra-Kurla Complex,  
Bandra (East),  
Mumbai – 400 051.  
**NSE CODE:AARTIIND**

**Ref.:** Compliance of Regulation 33 of the SEBI (LODR) Regulations, 2015.

**Sub.:** Audited Financial Results for the quarter and nine months ended December 31, 2021.

We wish to inform you that Board of Directors at its Meeting held on **Saturday, February 5, 2022**, approved the Audited Standalone and Consolidated Financial Results for the Quarter and nine months ended **December 31, 2021**.

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

- Audited Standalone and Consolidated Financial Results for the quarter and nine months ended December 31, 2021;
- Audited Standalone and Consolidated Segment wise Revenue Results for the quarter and nine months ended December 31, 2021;
- Auditor’s Report on the Standalone and Consolidated Audited Financial Results for the quarter and nine months ended December 31, 2021.

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 2:00 p.m. and concluded at 6:55 p.m.

Please take note of the same on your record.

Thanking you,

Yours faithfully,  
For **AARTI INDUSTRIES LIMITED**

  
  
RAJ SARRAF  
**COMPANY SECRETARY**  
ICSI M. NO. A15526  
Encl.: as above.

**AUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER 2021**

(Rs in Lakhs)

Sr. No.	Particulars	Standalone Result					
		3 Months Ended			9 Months Ended		Year Ended
		31st Dec 2021 (Audited)	30th Sept 2021 (Audited)	31st Dec 2020 (Audited)	31st Dec 2021 (Audited)	31st Dec 2020 (Audited)	31st Mar 2021 (Audited)
<b>1</b>	<b>INCOME</b>						
	Revenue from Operations (Gross)	2,58,761	1,70,618	1,26,132	5,79,057	3,53,609	4,80,782
	Less: GST Collected	25,574	20,448	11,869	64,297	36,249	49,111
	a) Revenue from Operations (Net)	2,33,187	1,50,170	1,14,263	5,14,760	3,17,360	4,31,671
	b) Other Income	5	51	183	57	186	195
	<b>Total Income</b>	<b>2,33,192</b>	<b>1,50,221</b>	<b>1,14,446</b>	<b>5,14,817</b>	<b>3,17,546</b>	<b>4,31,866</b>
<b>2</b>	<b>EXPENSES</b>						
	a) Cost of Materials Consumed	87,724	79,105	47,012	2,36,735	1,37,856	1,92,284
	b) Purchases of Stock-in-Trade	5,338	3,967	5,115	13,426	15,173	18,579
	c) Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade	(798)	(3,962)	832	(16,128)	(1,024)	(6,541)
	d) Employee Benefits Expense	12,140	9,703	8,752	31,590	26,476	35,828
	e) Finance Costs	2,643	1,815	1,692	8,268	6,365	8,616
	f) Depreciation and Amortisation Expenses	6,987	6,926	5,541	20,597	15,597	21,831
	g) Other Expenses	33,343	31,248	25,621	92,920	70,287	98,069
	<b>Total Expenses</b>	<b>1,47,377</b>	<b>1,28,802</b>	<b>94,565</b>	<b>3,87,408</b>	<b>2,70,730</b>	<b>3,68,666</b>
<b>3</b>	<b>Profit/(Loss) before Exceptional Items and Tax (1-2)</b>	<b>85,815</b>	<b>21,419</b>	<b>19,881</b>	<b>1,27,409</b>	<b>46,816</b>	<b>63,200</b>
<b>4</b>	<b>Exceptional Items</b>	-	-	-	-	-	-
<b>5</b>	<b>Profit/(Loss) before Tax (3-4)</b>	<b>85,815</b>	<b>21,419</b>	<b>19,881</b>	<b>1,27,409</b>	<b>46,816</b>	<b>63,200</b>
<b>6</b>	<b>TAX EXPENSES*</b>						
	a) Current Year Tax	15,000	3,750	3,600	22,275	8,200	11,000
	b) Earlier Year Tax	-	-	-	-	-	-
	c) MAT Credit Utilised/(Entitlement)	(6,500)	-	(700)	(6,500)	(1,350)	(1,350)
	d) Deferred Tax	800	500	800	1,700	2,000	2,200
	<b>Total Tax Expenses</b>	<b>9,300</b>	<b>4,250</b>	<b>3,700</b>	<b>17,475</b>	<b>8,850</b>	<b>11,850</b>
<b>7</b>	<b>Net Profit/(Loss) from Ordinary Activities after Tax (5-6)</b>	<b>76,515</b>	<b>17,169</b>	<b>16,181</b>	<b>1,09,934</b>	<b>37,966</b>	<b>51,350</b>
<b>8</b>	<b>Extraordinary Items (Net of Tax Expense `)</b>	-	-	-	-	-	-
<b>9</b>	<b>Net Profit/(loss) for the period (7-8)</b>	<b>76,515</b>	<b>17,169</b>	<b>16,181</b>	<b>1,09,934</b>	<b>37,966</b>	<b>51,350</b>
<b>10</b>	<b>Profit/(loss) for the period attributable to</b>						
	a) Owners of the Company	76,515	17,169	16,181	1,09,934	37,966	51,350
	b) Non Controlling Interest	-	-	-	-	-	-
<b>11</b>	<b>Other Comprehensive Income</b>	2,625	173	1,158	2,496	3,873	3,997
<b>12</b>	<b>Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period) (10+11)</b>	<b>79,140</b>	<b>17,342</b>	<b>17,339</b>	<b>1,12,430</b>	<b>41,839</b>	<b>55,347</b>
<b>13</b>	<b>Earnings per Equity share:</b>						
	(1) Basic	21.11	4.74	9.29	30.33	21.79	29.47
	(2) Diluted	21.11	4.74	9.29	30.33	21.79	29.47
<b>14</b>	<b>Earnings per Equity share: (after adjusting historic EPS numbers for Bonus issue of June 2021)</b>						
	(1) Basic	21.11	4.74	4.64	30.33	10.89	14.74
	(2) Diluted	21.11	4.74	4.64	30.33	10.89	14.74
<b>15</b>	<b>Paid-up Equity Share Capital (Face Value of Rs. 5/-each)</b>	18,125	18,125	8,712	18,125	8,712	8,712
<b>16</b>	<b>Reserve excluding Revaluation Reserves as per Balance Sheet of previous Accounting Year</b>						3,32,462

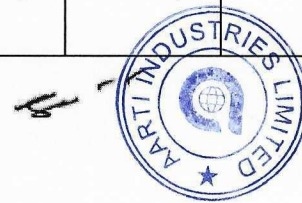




**AUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER 2021**

(Rs in Lakhs)

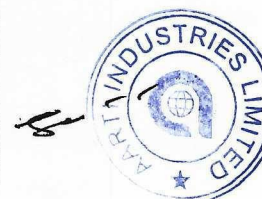
Sr. No.	Particulars	Consolidated Result					
		3 Months Ended			9 Months Ended		Year Ended
		31st Dec 2021 (Audited)	30th Sept 2021 (Audited)	31st Dec 2020 (Audited)	31st Dec 2021 (Audited)	31st Dec 2020 (Audited)	31st Mar 2021 (Audited)
<b>1</b>	<b>INCOME</b>						
	Revenue from Operations (Gross)	2,63,616	1,76,198	1,31,098	5,90,149	3,67,648	5,02,328
	Less: GST Collected	26,018	21,040	12,420	65,717	37,973	51,718
	a) Revenue from Operations (Net)	2,37,598	1,55,158	1,18,678	5,24,432	3,29,675	4,50,610
	b) Other Income	6	52	43	63	69	70
	<b>Total Income</b>	<b>2,37,604</b>	<b>1,55,210</b>	<b>1,18,721</b>	<b>5,24,495</b>	<b>3,29,744</b>	<b>4,50,680</b>
<b>2</b>	<b>EXPENSES</b>						
	a) Cost of Materials Consumed	88,117	81,961	46,851	2,36,591	1,38,457	1,93,757
	b) Purchases of Stock-in-Trade	8,042	5,302	6,438	19,147	19,302	24,424
	c) Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade	(2,162)	(5,065)	1,198	(18,536)	(765)	(5,325)
	d) Employee Benefits Expense	12,362	9,892	9,057	32,201	27,376	37,138
	e) Finance Costs	2,690	1,848	1,728	8,367	6,475	8,637
	f) Depreciation and Amortisation Expenses	7,164	7,106	5,866	21,129	16,567	23,131
	g) Other Expenses	34,627	32,091	26,639	96,059	73,182	1,02,463
	<b>Total Expenses</b>	<b>1,50,840</b>	<b>1,33,135</b>	<b>97,777</b>	<b>3,94,958</b>	<b>2,80,594</b>	<b>3,84,225</b>
<b>3</b>	<b>Profit/(Loss) before Exceptional Items and Tax (1-2)</b>	<b>86,764</b>	<b>22,075</b>	<b>20,944</b>	<b>1,29,537</b>	<b>49,150</b>	<b>66,455</b>
<b>4</b>	<b>Exceptional Items</b>	-	-	-	-	-	-
<b>5</b>	<b>Profit/(Loss) before Tax (3-4)</b>	<b>86,764</b>	<b>22,075</b>	<b>20,944</b>	<b>1,29,537</b>	<b>49,150</b>	<b>66,455</b>
<b>6</b>	<b>TAX EXPENSES*</b>						
	a) Current Year Tax	15,203	3,877	3,803	22,755	8,632	11,603
	b) Earlier Year Tax	-	-	-	-	-	-
	c) MAT Credit Utilised/(Entitlement)	(6,467)	79	(581)	(6,287)	(1,078)	(980)
	d) Deferred Tax	774	514	804	1,702	2,008	2,310
	<b>Total Tax Expenses</b>	<b>9,510</b>	<b>4,470</b>	<b>4,026</b>	<b>18,170</b>	<b>9,562</b>	<b>12,933</b>
<b>7</b>	<b>Net Profit/(Loss) from Ordinary Activities after Tax (5-6)</b>	<b>77,254</b>	<b>17,605</b>	<b>16,918</b>	<b>1,11,367</b>	<b>39,588</b>	<b>53,522</b>
<b>8</b>	<b>Extraordinary Items (Net of Tax Expense `)</b>	-	-	-	-	-	-
<b>9</b>	<b>Net Profit/(loss) for the period (7-8)</b>	<b>77,254</b>	<b>17,605</b>	<b>16,918</b>	<b>1,11,367</b>	<b>39,588</b>	<b>53,522</b>
<b>10</b>	<b>Profit/(loss) for the period attributable to</b>						
	a) Owners of the Company	77,249	17,611	16,527	1,11,346	38,737	52,347
	b) Non Controlling Interest	5	(6)	391	21	851	1,175
<b>11</b>	<b>Other Comprehensive Income</b>	2,297	3	2,089	2,270	4,804	4,794
<b>12</b>	<b>Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period) (10+11)</b>	<b>79,546</b>	<b>17,614</b>	<b>18,616</b>	<b>1,13,616</b>	<b>43,541</b>	<b>57,141</b>
<b>13</b>	<b>Earnings per Equity share:</b>						
	(1) Basic	21.31	4.86	9.49	30.72	22.23	30.04
	(2) Diluted	21.31	4.86	9.49	30.72	22.23	30.04
<b>14</b>	<b>Earnings per Equity share: (after adjusting historic EPS numbers for Bonus issue of June 2021)</b>						
	(1) Basic	21.31	4.86	4.74	30.72	11.12	15.02
	(2) Diluted	21.31	4.86	4.74	30.72	11.12	15.02
<b>15</b>	<b>Paid-up Equity Share Capital (Face Value of Rs. 5/-each)</b>	18,125	18,125	8,712	18,125	8,712	8,712
<b>16</b>	<b>Reserve excluding Revaluation Reserves as per Balance Sheet of previous Accounting Year</b>						3,41,527



**Notes:-**

- The above results for the quarter and nine months ended December 31, 2021, have been reviewed by the Audit Committee and approved by the Board of Directors in their meetings held on February 5, 2022.
- The Board of Directors has declared 2nd Interim Dividend of Rs. 1/- ( 20%) per equity share of Rs. 5/- each amounting to Rs. 36,25,04,035/- and fixed the February 16, 2022 as the Record Date in this regard.
- Revenue from Operation for the quarter and nine months ended December 31, 2021, is inclusive of accrual of Termination fees of Rs. 63,125 Lakhs arising on account of the termination of a long term supply contract by the customer. The Notice for termination of this contract was received by the Company and the disclosure related to the same was given to the respective Stock Exchanges on June 15, 2020.
- The Company has entered into forward contracts to hedge its exports. Mark to market gain/(loss) for such contracts as at the end of reporting period is recognised in these statements. Mark to market gain/(loss) in respect of near term contracts amounting to Rs. 686 Lakhs is expensed off in the P&L statement, while mark to market gain/(loss) in respect of long term contracts amounting to Rs. 1,288 Lakhs is adjusted under Other Comprehensive Income. The component adjusted under Other Comprehensive Income will be appropriately treated in P&L when the underlying cash-flow impact accrues.
- The Company has further recognised revaluation gain/(loss) to the extent of Rs. (50 Lakhs) in respect of its long term borrowings (ECBs) as at December 31, 2021 and included the same in its Finance Costs appearing above.
- The Company has repaid Commercial Papers on their respective due dates. The Commercial Papers (Listed and unlisted) outstanding as on December 31, 2021 was Rs. 30,000 Lakhs and 10,000 Lakhs, respectively.
- Other Disclosures:

Particulars	Standalone Result					
	3 Months Ended			9 Months Ended		Year Ended
	31st Dec 2021	30th Sept 2021	31st Dec 2020	31st Dec 2021	31st Dec 2020	31st Mar 2021
Operating Margin (%) (EBIDTA-Other Income)/(Gross Revenue)	36.88%	17.65%	21.35%	26.98%	19.40%	19.44%
Net Profit After Tax (in Lakhs)	76,515	17,169	16,181	1,09,934	37,966	51,350
Net Profit Margin (%) (PAT)/(Gross Revenue)	29.57%	10.06%	12.83%	18.99%	10.74%	10.68%
Debt Service Coverage Ratio (EBIT+Exceptional Items)/(Interest Exp+Principal Repayments during the period)	8.77	3.10	3.34	5.03	3.36	2.16
Interest Service Coverage Ratio (Earnings before Interest and Tax/Interest Expenses for the period)	36.5	13.74	15.11	17.58	9.18	9.22
Net Worth (in Lakhs) (Equity Share Capital+Other Equity)	5,63,211	4,87,694	3,27,666	5,63,211	3,27,666	3,41,174
Debt-Equity Ratio (Total DEbt)/(Total Equity)	0.46	0.48	0.87	0.46	0.87	0.83
Capital Redemption Reserve (in Lakhs)	-	-	-	-	-	-
Current Ratio (Current Assets)/(Current Liabilities)	1.45	1.39	1.10	1.45	1.10	0.98
Long Term Debt to Working Capital (Non-Current Borrowings Including Current Maturities of Non-current Borrowings)/(Current Assets - Current Liabilities excluding current Maturities of Non-current Borrowings)	0.9	1.20	2.80	0.91	2.80	1.42
Bad Debts to Account Receivable Ratio  (Bad Debts)/(Average Trade Receivables)	-	-	-	-	-	-
Current Liability Ratio (Total Current Liabilities)/(Total Liabilities)	0.6	0.57	0.54	0.64	0.54	0.58
Total Debts to Total Assets (Total Debts)/(Total Assets)	0.3	0.27	0.39	0.27	0.39	0.38
Debtors Turnover Ratio (Value of Sales & Services)/(Average Trade Receivables)	3.86	1.55	3.82	3.86	3.82	5.06
Inventory Turnover Ratio (Cost Of Goods Sold)/(Average Inventories of Finished Goods,Stock-in-Process and Stock-in-Trade	3.13	2.23	3.43	3.13	3.43	3.93







# AARTI INDUSTRIES LIMITED

Particulars	Consolidated Result					
	3 Months Ended			9 Months Ended		Year Ended
	31st Dec 2021	30th Sept 2021	31st Dec 2020	31st Dec 2021	31st Dec 2020	31st Mar 2021
Operating Margin (%) (EBIDTA-Other Income)/(Gross Revenue)	36.65%	17.58%	21.74%	26.94%	19.62%	19.54%
Net Profit After Tax (in Lakhs)	77,254	17,605	16,918	1,11,367	39,588	53,522
Net Profit Margin (%) (PAT)/(Gross Revenue)	0.29	0.10	0.13	0.19	0.11	0.11
Debt Service Coverage Ratio (EBIT+Exceptional Items)/(Interest Exp+Principal Repayments during the period)	8.85	3.17	3.56	5.10	3.49	2.26
Interest Service Coverage Ratio (Earnings before Interest and Tax/Interest Expenses for the period)	36.65	13.56	17.34	17.77	9.47	9.66
Net Worth (in Lakhs) (Equity Share Capital+Other Equity)	5,75,861	4,99,846	3,46,993	5,75,861	3,46,993	3,51,514
Debt-Equity Ratio (Total DEbt)/(Total Equity)	0.45	0.47	0.83	0.45	0.83	0.81
Capital Redemption Reserve (in Lakhs)	36.00	36.00	71.00	36.00	71.00	71.00
Current Ratio (Current Assets)/(Current Liabilities)	1.46	1.40	1.12	1.46	1.12	0.99
Long Term Debt to Working Capital (Non-Current Borrowings Including Current Maturities of Non-current Borrowings)/(Current Assets-Current Liabilities excluding current Maturities of Non-current Borrowings)	1.20	1.99	2.61	1.20	2.61	1.41
Bad Debts to Account Receivable Ratio (Bad Debts)/(Average Trade Receivables)	-	-	-	-	-	-
Current Liability Ratio (Total Current Liabilities)/(Total Liabilities)	0.64	0.57	0.53	0.64	0.54	0.58
Total Debts to Total Assets (Total Debts)/(Total Assets)	0.26	0.27	0.38	0.26	0.38	0.37
Debtors Turnover Ratio (Value of Sales & Services)/(Average Trade Receivables)	4.01	3.07	4.14	4.01	4.14	5.71
Inventory Turnover Ratio (Cost Of Goods Sold)/(Average Inventories of	3.34	2.38	3.41	3.34	3.41	3.15

8 The figures for the previous period have been regrouped or rearranged wherever necessary.

9 The aforesaid Audited Financial Results will be uploaded on the Company's website [www.aarti-industries.com](http://www.aarti-industries.com) and will also be available on the website of BSE Limited [www.bseindia.com](http://www.bseindia.com) and the National Stock Exchange of India Limited [www.nseindia.com](http://www.nseindia.com) for the benefit of the shareholders and investors.

For AARTI INDUSTRIES LIMITED

Place: Mumbai  
Date: February 5, 2022

RAJENDRA V. GOGRI  
CHAIRMAN AND MANAGING DIRECTOR



[www.aarti-industries.com](http://www.aarti-industries.com) | CIN: L24110GJ1984PLC007301

Admin. Office : 71, Udyog Kshetra, 2nd Floor, Mulund Goregaon Link Road, Mulund (W), Mumbai - 400080, INDIA.

T : 022-67976666, F : 022-2565 3234 | E : [info@aarti-industries.com](mailto:info@aarti-industries.com)

Regd. Office : Plot No. 801, 801/23, Illrd Phase, GIDC Vapi-396195, Dist- Valsad. INDIA. T : 0260-2400366.

**SEGMENTWISE REVENUE, RESULTS AND SEGMENT ASSETS & LIABILITIES ALONG WITH THE RESULT UNDER REGULATION 33 OF SEBI (LISTING OBLIGATION & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

(Rs. In Lakhs)

Sr. No.	Particulars	Standalone Result					
		3 Months Ended			9 Months Ended		Year Ended
		31st Dec 2021 (Audited)	30th Sept 2021 (Audited)	31st Dec 2020 (Audited)	31st Dec 2021 (Audited)	31st Dec 2020 (Audited)	31st Mar 2021 (Audited)
<b>1</b>	<b>Segment Revenue (Gross)</b>						
	a) Speciality Chemicals	2,23,979	1,42,353	1,01,353	4,87,911	2,83,298	3,85,552
	b) Pharmaceuticals	34,782	28,265	24,779	91,146	70,311	95,230
	<b>Total Revenue (Gross)</b>	<b>2,58,761</b>	<b>1,70,618</b>	<b>1,26,132</b>	<b>5,79,057</b>	<b>3,53,609</b>	<b>4,80,782</b>
	Less: GST Collected	25,574	20,448	11,869	64,297	36,249	49,111
	<b>Total Revenue (Net)</b>	<b>2,33,187</b>	<b>1,50,170</b>	<b>1,14,263</b>	<b>5,14,760</b>	<b>3,17,360</b>	<b>4,31,671</b>
<b>2</b>	<b>Segment Results Profit / (Loss)</b> (Before Tax and Interest from each Segment)						
	a) Speciality Chemicals	88,261	23,422	21,107	1,34,322	51,182	70,654
	b) Pharmaceuticals	6,002	4,122	5,469	15,357	15,974	21,096
	<b>Total</b>	<b>94,263</b>	<b>27,544</b>	<b>26,576</b>	<b>1,49,679</b>	<b>67,156</b>	<b>91,750</b>
	Less: Interest	2,643	1,815	1,692	8,268	6,365	8,616
	Other Unallocable Expenditure (Net)	5,805	4,310	5,003	14,002	13,975	19,934
	<b>Total Profit before Tax</b>	<b>85,815</b>	<b>21,419</b>	<b>19,881</b>	<b>1,27,409</b>	<b>46,816</b>	<b>63,200</b>
<b>3</b>	<b>Segment Assets</b>						
	a) Speciality Chemicals	7,32,880	6,32,253	5,13,470	7,32,880	5,13,470	5,39,732
	b) Pharmaceuticals	1,60,420	1,47,828	1,23,425	1,60,420	1,23,425	1,34,173
	c) Unallocated Capital	46,992	40,099	38,212	46,992	38,212	36,870
	<b>Total</b>	<b>9,40,292</b>	<b>8,20,180</b>	<b>6,75,107</b>	<b>9,40,292</b>	<b>6,75,107</b>	<b>7,10,775</b>
	<b>Segment Liabilities</b>						
	a) Speciality Chemicals	1,41,966	1,31,963	94,666	1,41,966	94,666	1,17,573
	b) Pharmaceuticals	24,246	22,934	18,761	24,246	18,761	22,795
	c) Unallocated Capital	22,798	21,998	20,898	22,798	20,898	21,098
	<b>Total</b>	<b>1,89,010</b>	<b>1,76,895</b>	<b>1,34,325</b>	<b>1,89,010</b>	<b>1,34,325</b>	<b>1,61,466</b>





**SEGMENTWISE REVENUE, RESULTS AND SEGMENT ASSETS & LIABILITIES ALONG WITH THE RESULT UNDER REGULATION 33 OF SEBI (LISTING OBLIGATION & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

(Rs in Lakhs)

Sr. No.	Particulars	Consolidated Result					
		3 Months Ended			9 Months Ended		Year Ended
		31st Dec 2021 (Audited)	30th Sept 2021 (Audited)	31st Dec 2020 (Audited)	31st Dec 2021 (Audited)	31st Dec 2020 (Audited)	31st Mar 2021 (Audited)
<b>1</b>	<b>Segment Revenue (Gross)</b>						
	a) Speciality Chemicals	2,28,834	1,47,933	1,06,319	4,99,003	2,97,337	4,07,098
	b) Pharmaceuticals	34,782	28,265	24,779	91,146	70,311	95,230
	<b>Total Revenue (Gross)</b>	<b>2,63,616</b>	<b>1,76,198</b>	<b>1,31,098</b>	<b>5,90,149</b>	<b>3,67,648</b>	<b>5,02,328</b>
	Less: GST Collected	26,018	21,040	12,420	65,717	37,973	51,718
	<b>Total Revenue (Net)</b>	<b>2,37,598</b>	<b>1,55,158</b>	<b>1,18,678</b>	<b>5,24,432</b>	<b>3,29,675</b>	<b>4,50,610</b>
<b>2</b>	<b>Segment Results Profit / (Loss)</b> (Before Tax and Interest from each Segment)						
	a) Speciality Chemicals	89,385	24,205	22,411	1,36,833	54,044	74,637
	b) Pharmaceuticals	6,002	4,122	5,469	15,357	15,974	21,096
	<b>Total</b>	<b>95,387</b>	<b>28,327</b>	<b>27,880</b>	<b>1,52,190</b>	<b>70,018</b>	<b>95,733</b>
	Less: Interest	2,690	1,848	1,728	8,367	6,475	8,637
	Other Unallocable Expenditure (Net)	5,933	4,404	5,208	14,286	14,393	20,641
	<b>Total Profit before Tax</b>	<b>86,764</b>	<b>22,075</b>	<b>20,944</b>	<b>1,29,537</b>	<b>49,150</b>	<b>66,455</b>
<b>3</b>	<b>Segment Assets</b>						
	a) Speciality Chemicals	7,44,745	6,41,280	5,31,644	7,44,745	5,31,644	5,48,986
	b) Pharmaceuticals	1,60,420	1,47,828	1,23,425	1,60,420	1,23,425	1,34,173
	c) Unallocated Capital	49,644	42,897	40,079	49,644	40,079	39,777
	<b>Total</b>	<b>9,54,809</b>	<b>8,32,005</b>	<b>6,95,148</b>	<b>9,54,809</b>	<b>6,95,148</b>	<b>7,22,936</b>
	<b>Segment Liabilities</b>						
	a) Speciality Chemicals	1,44,043	1,30,921	94,649	1,44,043	94,649	1,17,254
	b) Pharmaceuticals	24,246	22,934	18,761	24,246	18,761	22,795
	c) Unallocated Capital	24,012	23,238	23,217	24,012	23,217	23,394
	<b>Total</b>	<b>1,92,301</b>	<b>1,77,093</b>	<b>1,36,627</b>	<b>1,92,301</b>	<b>1,36,627</b>	<b>1,63,443</b>

**Notes:-**

1. The Company at its Board meeting held on August 19, 2021 had considered and approved a Scheme of Arrangement ("Scheme") whereby the Pharma Business and allied activities of Aarti Industries Limited ("Demerged Company") would be demerged into Aarti Pharmed Labs Limited (Formerly known as Aarti Organics Limited), a wholly owned subsidiary Company of Aarti Industries Limited ("the Resulting Company"), as a going concern basis with effect from the Appointed Date i.e. July 1, 2021.

As per the Scheme The Demerged Company would demerge its Pharma business and allied activities along with a part of Speciality Chemical Business, which is a backward integrated facility providing feeding material to the Pharma Business. As per the restructuring proposed in the Scheme, the Company has restated the Segment Financials by reclassifying the part of Speciality Chemical Business (which is being demerged) under the Pharmaceuticals Segment in this segment report. The figures related to prior periods have also been rearranged in a similar manner.

2. Revenue from Operation for the quarter and nine months ended December 31, 2021, is inclusive of accrual of Termination fees of Rs. 63,125 Lakhs arising on account of the termination of a long term supply contract by the customer. The Notice for termination of this contract was received by the Company and the disclosure related to the same was given to the respective Stock Exchanges on June 15, 2020.

3. Figures for the previous period have been regrouped or rearranged wherever necessary.

For AARTI INDUSTRIES LIMITED

RAJENDRA V. GOGRI

CHAIRMAN AND MANAGING DIRECTOR


 Place : Mumbai  
Date: February 5, 2022

## INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF AARTI INDUSTRIES LIMITED

### Report on the audit of the Standalone Financial Results

#### Opinion

We have audited the accompanying standalone quarterly financial results of Aarti Industries Limited ("the company") for the quarter ended December, 2021 and the year to date results for the period from April 1, 2021 to December 31, 2021, 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 standalone financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the quarter ended December 31, 2021 as well as the year to date results for the period from April 1, 2021 to December 31, 2021.

#### 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 Standards 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 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

These quarterly financial results as well as the 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 read with relevant rules issued thereunder 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



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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 standalone 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 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 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 are also responsible for overseeing the Company's financial reporting process.

### **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 standalone financial results.

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

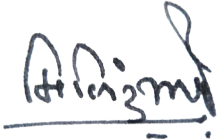
- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not 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 Board of Directors.
- 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.

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 Kirtane & Pandit LLP,  
Chartered Accountants  
FRN: 105215W/W100057**



**Milind Bhave  
Partner  
M No. 047973**

**UDIN: 22047973AAOBRP2258**

**Place: Mumbai  
Date: 05-02-2022**



## INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF AARTI INDUSTRIES LIMITED

### Report on the audit of the Consolidated Financial Results

#### Opinion

We have audited the accompanying Statement of Consolidated Financial Results of Aarti Industries Limited ("Holding company") and its subsidiaries (holding company and its subsidiaries together referred to as "the Group") for the quarter ended December 31, 2021 and for the period from April 1, 2021 to December 31, 2021 ("the Statement"), being submitted by the holding company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"). Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended December 31, 2021 and the corresponding period from April 1, 2021 to December 31, 2021, as reported in these financial results have been approved by the holding company's Board of Directors, but have not been subjected to audit.

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, the Statement:

- a. includes the results of the following entities:
  - i. Aarti Corporate Services Limited
  - ii. Shanti Intermediates Private Limited (through its Holding Company: Aarti Corporate Services Limited)
  - iii. Nascent Chemical Industries Limited (through its Holding Company: Aarti Corporate Services Limited)
  - iv. Alchemie (Europe) Limited
  - v. Innovative Envirocare Jhagadia Limited
  - vi. Aarti USA Inc.
  - vii. Aarti Polychem Private Limited
  - viii. Aarti Bharuch Limited
  - ix. Aarti Organics Limited
  - x. Aarti Spechem Limited
  - xi. Aarti Pharmachem Limited
  - xii. Ganesh Polychem Limited \*

\* Ceased to be the Subsidiary and becomes the Joint controlled entity w.e.f. March 17,2021



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- b. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations, as amended; and
- c. gives a true and fair view, in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of consolidated total comprehensive income (comprising of net profit and other comprehensive income) and other financial information of the Group for the quarter ended December 31, 2021 and for the period from April 1,2021 to December 31,2021.

### **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 Standards 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 Group 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 statements 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 Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

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

These quarterly financial results as well as the 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 and presentation of these consolidated financial results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group 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 read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group are responsible for 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Directors of the Holding Company, as aforesaid.





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

### **Auditor's 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 consolidated financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- 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 ability of the Group 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 consolidated 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 consolidated 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.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial results of which we are the independent auditors 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 the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

### **Other Matters**

The consolidated Financial Results include the audited financial results of 9 subsidiaries and 1 jointly controlled entity, whose interim Financial Statements/Financial Results/ financial information reflects Group's share of total revenue of Rs.34.41 cr and Rs.124.20 cr and Group's share of total net profit after tax of Rs.18.23 cr and Rs.62.93 cr for the quarter ended December 31, 2021 and for the period from April 1, 2021 to December 31, 2021 respectively, as considered in the consolidated Financial Results, which have been audited by their respective independent auditors. The independent auditors' reports on interim financial statements/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 entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

The consolidated Financial Results include the unaudited financial results of 2 subsidiaries whose interim Financial Statements reflects Group's share of total revenue of Rs.118.10 Cr and Rs.265.04 cr and Group's share of total net profit after tax of Rs.95.84 cr and Rs.223.98 cr for the quarter ended December 31, 2021 and for the period from April 1, 2021 to December 31, 2021 respectively, as considered in the consolidated Financial Results. These unaudited interim financial statements have been furnished to us by the board of directors and our opinion on the consolidated Financial Results, in so far as it relates to the amounts and

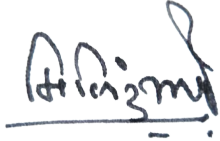




disclosures included in respect of these subsidiaries, is based solely on such unaudited interim financial statement. In our opinion and according to the information and explanations given to us by the Board of Directors, these interim financial statements is not material to the Group.

Our opinion on the consolidated Financial Results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Financial Results/financial information certified by the Board of Directors.

**For Kirtane & Pandit LLP,  
Chartered Accountants  
FRN: 105215W/W100057**



**Milind Bhave  
Partner  
M No. 047973**

**UDIN: 22047973AAOIBI9897**

**Place: Mumbai  
Date : 05-02-2022**