



# AARTI INDUSTRIES LIMITED

71, Udyog Kshetra, 2nd Floor, Mulund - Goregaon Link Road, Mulund (West), Mumbai-400 080.INDIA  
☎: 00-91-6797 6666, 2591 8195 • Fax : 00-91-22-2590 4806 / 2565 3185 / 3234  
Regd. Office : Plot No. 801 / 23, G.I.D.C. Estate, Phase III, Vapi - 396 195, Dist. Valsad, Gujrat.INDIA  
E-mail : info@aartigroup.com • Website : www.aartigroup.com • CIN : L24110GJ1984PLC007301



Ref. No: AIL/B-33/2017/095

Date : 6<sup>th</sup> February, 2017.

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 (East),  
Mumbai - 400 051.

**BSE CODE -524208**

**NSE CODE:AARTIIND**

Dear Sir/Madam,

**Ref.: Compliance of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

**Sub.: Audited Financial Results for the quarter and nine months ended 31<sup>st</sup> December, 2016.**

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are forwarding herewith the Audited Financial Results along with Auditor's Report on Quarterly and Nine Months Financial Results of the Company and Segment wise Revenue Results for the quarter and nine months ended 31<sup>st</sup> December, 2016 in the prescribed form which have been approved by the Board of Directors of the Company at its meeting held on **Monday, 6<sup>th</sup> February, 2017** at Tarapur, Maharashtra.

The Meeting of the Board of Directors commenced at 12.00 Noon and concluded at 4:55 Pm.

Further, please note that the Company has already made necessary arrangement to publish the same in the newspapers as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Please take note of the same on your record.

Thanking you,

Yours faithfully,

For **AARTI INDUSTRIES LIMITED**

  
**MONA PATEL**

**COMPANY SECRETARY & COMPLIANCE OFFICER**

Encl: as above.



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## AUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER 2016.

(₹ in Lakhs)

| Sr. No. | Particulars                                                                                                 | 3 Months Ended             |                             |                            | 9 Months Ended             |                            | 12 Months Ended            |
|---------|-------------------------------------------------------------------------------------------------------------|----------------------------|-----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
|         |                                                                                                             | 31st Dec 2016<br>(Audited) | 30th Sept 2016<br>(Audited) | 31st Dec 2015<br>(Audited) | 31st Dec 2016<br>(Audited) | 31st Dec 2015<br>(Audited) | 31st Mar 2016<br>(Audited) |
| 1       | <b>Income from Operations</b>                                                                               |                            |                             |                            |                            |                            |                            |
|         | a) Gross Sales/Income from operation                                                                        | 75,933                     | 69,888                      | 73,434                     | 218,398                    | 215,248                    | 288,381                    |
|         | b) Other Operating Income                                                                                   | 1,090                      | 1,137                       | 1,056                      | 3,190                      | 3,739                      | 4,983                      |
|         | <b>Total Income from Operations (Gross)</b>                                                                 | <b>77,023</b>              | <b>71,025</b>               | <b>74,490</b>              | <b>221,588</b>             | <b>218,987</b>             | <b>293,364</b>             |
| 2       | <b>Expenses</b>                                                                                             |                            |                             |                            |                            |                            |                            |
|         | a) Cost of Material Consumed                                                                                | 40,922                     | 40,666                      | 40,036                     | 118,167                    | 122,016                    | 158,672                    |
|         | b) Purchases of Stock-in-trade                                                                              | 2,449                      | 2,368                       | 2,196                      | 7,997                      | 8,820                      | 11,432                     |
|         | c) Changes in inventories of Finished Goods, Work-in-progress and Stock-in-trade                            | (803)                      | (5,443)                     | 2,766                      | (4,530)                    | 1,791                      | 5,428                      |
|         | d) Employee Benefits Expenses                                                                               | 3,619                      | 3,431                       | 2,922                      | 10,309                     | 7,957                      | 11,039                     |
|         | e) Depreciation and Amortisation Expense                                                                    | 2,948                      | 2,764                       | 2,294                      | 8,392                      | 6,726                      | 9,269                      |
|         | f) Other Expenses                                                                                           | 15,813                     | 14,909                      | 13,572                     | 44,064                     | 39,064                     | 53,773                     |
|         | <b>Total Expenses</b>                                                                                       | <b>64,948</b>              | <b>58,695</b>               | <b>63,786</b>              | <b>184,399</b>             | <b>186,374</b>             | <b>249,613</b>             |
| 3       | <b>Profit/(Loss) from Operations before Other Income, Finance Costs and Exceptional Items (1-2)</b>         | <b>12,075</b>              | <b>12,330</b>               | <b>10,704</b>              | <b>37,189</b>              | <b>32,613</b>              | <b>43,751</b>              |
| 4       | <b>Other Income</b>                                                                                         | <b>101</b>                 | <b>18</b>                   | <b>87</b>                  | <b>155</b>                 | <b>153</b>                 | <b>964</b>                 |
| 5       | <b>Profit/(Loss) from Ordinary Activities before Finance Costs and Exceptional Items (3+4)</b>              | <b>12,176</b>              | <b>12,348</b>               | <b>10,791</b>              | <b>37,344</b>              | <b>32,766</b>              | <b>44,715</b>              |
| 6       | <b>Finance Costs</b>                                                                                        | <b>3,092</b>               | <b>2,898</b>                | <b>2,762</b>               | <b>8,688</b>               | <b>8,756</b>               | <b>11,590</b>              |
| 7       | <b>Profit/(Loss) from Ordinary Activities after Finance Costs but before Exceptional Items (5-6)</b>        | <b>9,084</b>               | <b>9,450</b>                | <b>8,029</b>               | <b>28,656</b>              | <b>24,010</b>              | <b>33,125</b>              |
| 8       | <b>Exceptional Items</b>                                                                                    | -                          | -                           | -                          | -                          | -                          | -                          |
| 9       | <b>Profit/(Loss) from Ordinary Activities before Tax (7-8)</b>                                              | <b>9,084</b>               | <b>9,450</b>                | <b>8,029</b>               | <b>28,656</b>              | <b>24,010</b>              | <b>33,125</b>              |
| 10      | <b>Tax Expenses</b>                                                                                         |                            |                             |                            |                            |                            |                            |
|         | a) Provision for Taxation-Current Year                                                                      | 1,750                      | 1,900                       | 1,600                      | 5,625                      | 4,550                      | 6,250                      |
|         | b) Provision for Taxation-Earlier Year                                                                      | -                          | -                           | 357                        | 21                         | 902                        | 1,907                      |
|         | c) MAT Credit Entitlement                                                                                   | (550)                      | (500)                       | (450)                      | (1,425)                    | (1,025)                    | (1,975)                    |
|         | d) Provision for Deferred Tax                                                                               | 500                        | 450                         | 450                        | 1,200                      | 1,300                      | 1,700                      |
|         | <b>Total Tax Expenses</b>                                                                                   | <b>1,700</b>               | <b>1,850</b>                | <b>1,957</b>               | <b>5,421</b>               | <b>5,727</b>               | <b>7,882</b>               |
| 11      | <b>Net Profit/(Loss) from Ordinary Activities after Tax (9-10)</b>                                          | <b>7,384</b>               | <b>7,600</b>                | <b>6,072</b>               | <b>23,235</b>              | <b>18,283</b>              | <b>25,243</b>              |
| 12      | <b>Extraordinary Items (Net of Tax Expense ₹)</b>                                                           | -                          | -                           | -                          | -                          | -                          | -                          |
| 13      | <b>Net Profit/(Loss) for the period (11-12)</b>                                                             | <b>7,384</b>               | <b>7,600</b>                | <b>6,072</b>               | <b>23,235</b>              | <b>18,283</b>              | <b>25,243</b>              |
| 14      | <b>Share of Profit/(Loss) of Associates</b>                                                                 | -                          | -                           | -                          | -                          | -                          | -                          |
| 15      | <b>Minority Interest</b>                                                                                    | -                          | -                           | -                          | -                          | -                          | -                          |
| 16      | <b>Net Profit/(Loss) after Taxes, Minority Interest and Share of Profit/(Loss) of Associates (13+14+15)</b> | <b>7,384</b>               | <b>7,600</b>                | <b>6,072</b>               | <b>23,235</b>              | <b>18,283</b>              | <b>25,243</b>              |
| 17      | <b>Other Comprehensive Income/(Expenditure)</b>                                                             | <b>(112)</b>               | <b>755</b>                  | <b>(32)</b>                | <b>732</b>                 | <b>(273)</b>               | <b>(1,008)</b>             |
| 18      | <b>Net Profit/(Loss) after Total Comprehensive Income (after Tax) (16+17)</b>                               | <b>7,272</b>               | <b>8,355</b>                | <b>6,040</b>               | <b>23,967</b>              | <b>18,010</b>              | <b>24,235</b>              |
| 19      | <b>Paid-up Equity Share Capital (Face Value of ₹ 5/-each)</b>                                               | <b>4,106</b>               | <b>4,166</b>                | <b>4,166</b>               | <b>4,106</b>               | <b>4,166</b>               | <b>4,166</b>               |
| 20      | <b>Reserve excluding Revaluation Reserves as per Balance Sheet of previous Accounting Year</b>              | -                          | -                           | -                          | -                          | -                          | 105,203                    |
| 21.i    | <b>Earnings Per Share (before Extraordinary Items) (of ₹ 5/- each) (not annualised)</b>                     |                            |                             |                            |                            |                            |                            |
|         | a) Basic                                                                                                    | 8.99                       | 9.12                        | 7.29                       | 28.29                      | 21.94                      | 30.30                      |
|         | b) Diluted                                                                                                  | 8.99                       | 9.12                        | 7.29                       | 28.29                      | 21.94                      | 30.30                      |
| 21.ii   | <b>Earnings Per Share (after Extraordinary Items) (of ₹ 5/- each) (not annualised)</b>                      |                            |                             |                            |                            |                            |                            |
|         | a) Basic                                                                                                    | 8.99                       | 9.12                        | 7.29                       | 28.29                      | 21.94                      | 30.30                      |
|         | b) Diluted                                                                                                  | 8.99                       | 9.12                        | 7.29                       | 28.29                      | 21.94                      | 30.30                      |

### Notes:-

- Results for the quarter and nine months ended 31st December 2016 are in compliance with the Indian Accounting Standards (Ind-AS) notified by the Ministry of Corporate Affairs. Consequently result for quarter and nine months ended 31st December 2015 and previous year ended 31st March 2016 have been restated to comply with Ind-AS to make them comparable.
- Pursuant to the SEBI Clarification issued on Dt. 20th September, 2016 Income from Operations has been grossed up. Accordingly the Income from Operations has been restated.
- The above results for the quarter and nine months ended 31st December, 2016 have been reviewed by the Audit Committee in their meeting held on 4th February, 2017, and approved by the Board of Directors in their meeting held on 6th February, 2017
- The Company has completed buyback of 12,00,000 Equity Shares of face value of ₹ 5/- each at a price of ₹ 800/- per share on December 7, 2016. The number of Equity Shares post buy back stands reduced to 8,21,20,383 of ₹ 5/- each. Accordingly, the paid up Equity Share Capital also stands reduced to ₹ 41,06,01,915/-
- The Listed Non-Convertible Debenture of the Company aggregating to ₹ 20,000 Lakhs as on 31st December, 2016 are secured by way of first pari passu charge on the Movable Fixed Assets of the Company at its premises located at Vapi, Jhagadia, Silvassa, Tarapur and Pithampur and the assets cover thereof exceeds 100% of the principal amount of the said debentures.
- Figures for the previous period have been regrouped or rearranged wherever necessary.
- The aforesaid Audited Financial Results will be uploaded on the Company's website www.aartigroup.com 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.

For AARTI INDUSTRIES LIMITED

RAJENDRA V. GOGRI  
 CHAIRMAN AND MANAGING DIRECTOR

Place: Tarapur  
 Date: 6th February, 2017



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**A. Reconciliation of the net profits to those reported under previous Generally Accepted Accounting Principles (GAAP) are summarised as follow:**

| Particulars                             | Note No. | (₹ in Lakhs)                                 |                                              |                                               |
|-----------------------------------------|----------|----------------------------------------------|----------------------------------------------|-----------------------------------------------|
|                                         |          | 3 Months Ended<br>31st Dec 2015<br>(Audited) | 9 Months Ended<br>31st Dec 2015<br>(Audited) | 12 Months Ended<br>31st Mar 2016<br>(Audited) |
| Net Profit as per previous GAAP         |          | 6,072                                        | 18,283                                       | 25,243                                        |
| Other Comprehensive Income (Net of Tax) | 3        | (32)                                         | (273)                                        | (1,008)                                       |
| <b>Total Comprehensive Income</b>       |          | <b>6,040</b>                                 | <b>18,010</b>                                | <b>24,235</b>                                 |

**B. Reconciliation of Equity as reported under previous Generally Accepted Accounting Principles (GAAP) are summarised as follow:**

| Particulars                                                                                        | Note No. | (₹ in Lakhs)                                      |  |
|----------------------------------------------------------------------------------------------------|----------|---------------------------------------------------|--|
|                                                                                                    |          | Equity as last<br>reported as at<br>31st Mar 2016 |  |
| Equity reported as per previous GAAP                                                               |          | 107,010                                           |  |
| Impact of measuring Investments at Fair Value -<br>through Other Comprehensive Income (Net of tax) | 3        | 2,359                                             |  |
| <b>Equity reported as per IND AS</b>                                                               |          | <b>109,369</b>                                    |  |

**Notes:**

- 1 These financial results, for the quarter ended 31st December, 2016, 30th September, 2016, 30th September, 2015, nine months ended 31st December, 2016, 31st December, 2015 and previous year ended 31st March, 2016 are prepared in accordance with Ind AS.
- 2 Property, Plant and Equipment were carried in the statement of financial position prepared under previous GAAP as at 31st March, 2015. The Company has elected to regard such carrying amount as deemed cost at the date of transition i.e. 1st April, 2015.
- 3 Under previous GAAP, non current Investments were stated at cost. Where applicable, provision was made to recognise a decline, other than temporary, in valuation of such Investments. Under Ind AS, financial assets in equity instruments have been classified as Fair Value through Other Comprehensive Income (FVTOCI) through an irrevocable election at the date of transition.



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

| Sr. No. | Particulars                                                                           | 3 Months Ended             |                             |                            | 9 Months Ended             |                            | 12 Months Ended            |
|---------|---------------------------------------------------------------------------------------|----------------------------|-----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
|         |                                                                                       | 31st Dec 2016<br>(Audited) | 30th Sept 2016<br>(Audited) | 31st Dec 2015<br>(Audited) | 31st Dec 2016<br>(Audited) | 31st Dec 2015<br>(Audited) | 31st Mar 2016<br>(Audited) |
| 1       | <b>Segment Revenue</b>                                                                |                            |                             |                            |                            |                            |                            |
|         | a) Speciality Chemicals                                                               | 62,910                     | 57,213                      | 60,616                     | 179,245                    | 178,397                    | 235,741                    |
|         | b) Pharmaceuticals                                                                    | 10,316                     | 10,145                      | 9,961                      | 30,640                     | 29,712                     | 42,576                     |
|         | c) Home & Personal Care Chemicals                                                     | 3,797                      | 3,667                       | 3,913                      | 11,703                     | 10,878                     | 15,047                     |
|         | <b>Total</b>                                                                          | <b>77,023</b>              | <b>71,025</b>               | <b>74,490</b>              | <b>221,588</b>             | <b>218,987</b>             | <b>293,364</b>             |
| 2       | <b>Segment Results Profit / (Loss)</b><br>(Before Tax and Interest from each Segment) |                            |                             |                            |                            |                            |                            |
|         | a) Speciality Chemicals                                                               | 13,148                     | 12,923                      | 11,667                     | 39,373                     | 34,838                     | 46,909                     |
|         | b) Pharmaceuticals                                                                    | 944                        | 1,207                       | 975                        | 3,326                      | 2,479                      | 3,880                      |
|         | c) Home & Personal Care Chemicals                                                     | (85)                       | (102)                       | (159)                      | (175)                      | 19                         | (24)                       |
|         | <b>Total</b>                                                                          | <b>14,007</b>              | <b>14,028</b>               | <b>12,483</b>              | <b>42,524</b>              | <b>37,336</b>              | <b>50,765</b>              |
|         | Less: Interest                                                                        | 3,092                      | 2,898                       | 2,762                      | 8,688                      | 8,756                      | 11,590                     |
|         | Other Unallocable Expenditure (Net)                                                   | 1,831                      | 1,680                       | 1,692                      | 5,180                      | 4,570                      | 6,050                      |
|         | <b>Total Profit before Tax</b>                                                        | <b>9,084</b>               | <b>9,450</b>                | <b>8,029</b>               | <b>28,656</b>              | <b>24,010</b>              | <b>33,125</b>              |
| 3       | <b>Segment Assets</b>                                                                 |                            |                             |                            |                            |                            |                            |
|         | a) Speciality Chemicals                                                               | 224,189                    | 219,245                     | 180,754                    | 224,189                    | 180,754                    | 195,589                    |
|         | b) Pharmaceuticals                                                                    | 58,016                     | 58,126                      | 56,332                     | 58,016                     | 56,332                     | 58,077                     |
|         | c) Home & Personal Care Chemicals                                                     | 13,125                     | 12,500                      | 11,234                     | 13,125                     | 11,234                     | 11,026                     |
|         | d) Unallocated Capital                                                                | 54,514                     | 52,034                      | 53,509                     | 54,514                     | 53,509                     | 47,098                     |
|         | <b>Total</b>                                                                          | <b>349,844</b>             | <b>341,905</b>              | <b>301,829</b>             | <b>349,844</b>             | <b>301,829</b>             | <b>311,790</b>             |
|         | <b>Segment Liabilities</b>                                                            |                            |                             |                            |                            |                            |                            |
|         | a) Speciality Chemicals                                                               | 36,353                     | 34,579                      | 28,681                     | 36,353                     | 28,681                     | 33,081                     |
|         | b) Pharmaceuticals                                                                    | 3,920                      | 4,900                       | 5,011                      | 3,920                      | 5,011                      | 5,286                      |
|         | c) Home & Personal Care Chemicals                                                     | 2,103                      | 1,721                       | 2,297                      | 2,103                      | 2,297                      | 2,141                      |
|         | d) Unallocated Capital                                                                | 47,016                     | 44,766                      | 42,112                     | 47,016                     | 42,112                     | 40,191                     |
|         | <b>Total</b>                                                                          | <b>89,392</b>              | <b>85,966</b>               | <b>78,101</b>              | <b>89,392</b>              | <b>78,101</b>              | <b>80,699</b>              |

For AARTI INDUSTRIES LIMITED

Place : Tarapur  
 Date: 6th February, 2017

  
 RAJENDRA V. GOGRI  
 CHAIRMAN AND MANAGING DIRECTOR



**Auditors' Report on Quarterly Financial Results and Year to Date Financial Results  
of AARTI INDUSTRIES LIMITED Pursuant to the Regulation 33 of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015**

**To  
The Board of Directors of AARTI INDUSTRIES LIMITED**

We have audited the quarterly standalone financial results of AARTI INDUSTRIES LIMITED ('the Company') for the quarter ended December 31, 2016 and the year to date financial results for the period from April 1, 2016 to December 31, 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

These standalone quarterly as well as 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 standalone financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting", prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder 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 quarterly and year to date standalone financial results:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI circular dated 5<sup>th</sup> July 2016 in this regard.
- (ii) give a true and fair view of the net profit and total comprehensive income and other financial information for the quarter ended December 31, 2016 as well as the year to date results for the period from April 1, 2016 to December 31, 2016.

**For GOKHALE & SATHE**  
**CHARTERED ACCOUNTANTS**  
**Firm Registration No.: 103264W**

**CA TEJAS PARIKH**  
**PARTNER**

**M. No. 123215**

**Place: Tarapur, District Thane**

**Date: February 6, 2017**

