



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, Gujarat.INDIA
E-mail : info@aartigroup.com • Website : www.aartigroup.com • CIN : L24110GJ1984PLC007301



Ref. No: AIL/B-30/2015/112

Date : 9th February, 2015.

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 -524208

NSE CODE:AARTIIND

Dear Sir/Madam,

Please find enclosed herewith the copy of Press Release issued by the Company on 9th February, 2015.

Kindly take the note of the above.

Thanking you,

Yours faithfully,
For **AARTI INDUSTRIES LIMITED**

MONA PATEL
COMPANY SECRETARY & COMPLIANCE OFFICER

Encl: as above.



AARTI INDUSTRIES LIMITED

(A Government Recognised Export House)

Unit - I

Factory :

Plot No. 758/1, 2 & 3, P. B. No. 23,

G.I.D.C., Jhagadia - 393-110.

Dist. Bharuch, Gujarat, INDIA.

Ph. No. : 02645 - 226278, 226277

EPABX No. : 9537011711, 9537011811

Fax No. : 02645 - 226178

Press Release

Aarti Industries Limited: Q3FY15 Results Update

Total Income up by 6% PAT up by 16%

2nd Interim Dividend of Rs 1.50 Per share.

Aarti Industries Limited (AIL), a leading company in the field of chemical industry, today declared its financial results for the third quarter ended December 31, 2014.

Company's Net Sales & Related Income for Q3FY15 was Rs 692 crs (Previous year Rs 650 crs). Likewise, EBIDTA for Q3FY15 was Rs 103 crs (Previous year Rs 108 crs) and PAT for Q3FY15 was Rs 43 crs (Previous year Rs 37 crs). The Board has recommended an 2nd Interim Dividend of Rs 1.50 per share (30%). Thus the total interim dividend for FY15 declared so far is Rs 3.75 per share (75%).

Towards the end of Q3FY15, Indian Rupees had witnessed sharp depreciation, which bounced back again in January 2015. Steep depreciation towards the end of the quarter, resulted into a mark-to-market Foreign Exchange loss of about Rs 4 crs.

Steep Fall in Prices of Crude Linked RM

Q3FY15 also witnessed unusually sharp fall in crude prices, which had resulted into the sharp fall of crude linked products as well. Benzene, which is one of our major RM had also followed the trend and had fallen from the prices of Rs 85/- per kg for Q2FY15 to about Rs 70/- per kg for Q3 FY15. Since our operations are on cost plus model, absolute EBIDTA is largely based on volumes and thus the impact of above unusual fall is largely on the valuations for various WIP and Finished products, limited to the extent of benzene component in those product. Some of this had been recouped, as the pricing to the contract based export customers is with a time lag. Hence on an overall basis, the impact of these markdown during Q3 FY15 was of about Rs 9 crs.

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Tel. : (0260) 2431366, 2400059, 2400158 Fax : (0260) 2401322

Admn. Office : Udyog Kshetra, 2nd Floor, Mulund, Goregaon Link Road, L.B.S. Marg, Mulund (West), Mumbai - 400 080

Phone : (022) 25918195, 67976697, 67976666 Fax : (022) 25904806, 25653185, 67976687



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Further Lower RM prices would benefit the company over long term by better operating margins. Also as the operations are working capital intensive, lower prices reduces the working capital quantum, debt and finance costs. Hence on an overall basis, the lower RM prices, benefits us by better operating margins, lower finance costs, better PBT, improved ROCE and so on.

Maintainence Shutdown

The standard Annual Maintainence Shutdown for Acid division taken up in Oct-Dec quarter every year, impacts the Ebita for the quarter by about 4 - 5 crs on account of loss of volume and higher maintenance cost.

On the projects front, the company has commercialization the first phase of expansion of NCB capacities in Dec 2014, and the final phase is expected to come on-stream in Q1FY16. Also in respect of the proposed Expansions of PDA capacities from 250 tpm to 1000 tpm, the company is in the final commissioning stage for the first phase of Expansion, scaling the capacities upto 450 tpm. The balance capacities are expected to be going onstream in phases by Q3FY16. Thus these expanded capacities would enable us increase our volumes in the high growth end-user applications of Polymers, Speciality Pigments and Agro Chemicals.

The company have been undertaking various expansion activities and are targeting to start commissioning these projects progressively in FY16. Hence with these rationales, the company is hopeful to meet the volume growth estimates of about 15%-20% & profitability to grow at about 20%-24% CAGR over the next 3-4 years on account the margin expansion and volume growth across all segments.

For **Aarti Industries Ltd**

Mr. Rajendra V Gogri
(Chairman & Managing Director)

Date: February 9, 2015

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