

November 8, 2024

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

Code : 524208

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.
Symbol : AARTIIND

Dear Sir/Madam,

**Sub.: Audited Financial Results for Quarter and Half Year ended
September 30, 2024**

Ref.: Regulation 30, 33 & 52(4) of SEBI (LODR) Regulations, 2015

We wish to inform you that the Board of Directors of the Company at its meeting held today i.e. **Friday, November 8, 2024**, inter-alia considered and approved the Audited Standalone and Consolidated Financial Results for the Quarter and Half Year ended September 30, 2024, upon recommendation of the Audit Committee. In this regard, we enclose:

- Statement showing the Financial Results,
- Statement of Assets and Liabilities,
- Cash Flow Statement,
- Auditor’s Report on the Financial Results.

The Meeting of the Board of Directors commenced at 11:00 am and concluded at 4:10 pm.

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 HALF YEAR ENDED 30TH SEPTEMBER, 2024

(Rs in Crs)

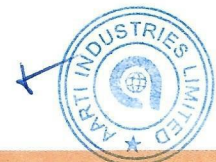
Sr. No.	Particulars	Standalone Result					
		3 Months Ended			Half Year Ended		Year Ended
		30th Sep 2024 (Audited)	30th Jun 2024 (Audited)	30th Sep 2023 (Audited)	30th Sep 2024 (Audited)	30th Sep 2023 (Audited)	31st Mar 2024 (Audited)
1	INCOME						
	Revenue from Operations (Gross)	1,874	2,005	1,593	3,878	3,154	6,985
	Less: GST Collected	158	156	143	314	300	638
	a)Revenue from Operations (Net)	1,716	1,848	1,450	3,564	2,854	6,347
	b)Other Income	8	6	0	13	0	8
	Total Income	1,723	1,854	1,450	3,577	2,854	6,356
2	EXPENSES						
	a)Cost of Materials Consumed	1,058	1,057	876	2,115	1,704	3,771
	b)Purchases of Stock-in-Trade	37	66	23	103	100	194
	c)Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade	10	28	(46)	38	(105)	(101)
	d)Employee Benefits Expense	104	113	99	217	200	402
	e)Finance Costs	62	64	58	126	98	211
	f)Depreciation and Amortisation Expenses	108	102	93	210	182	377
	g)Other Expenses	308	279	265	587	521	1,106
	Total Expenses	1,687	1,708	1,368	3,395	2,699	5,959
3	Profit/(Loss) before Exceptional Items and Tax (1-2)	37	146	82	183	155	396
4	Exceptional Items	-	-	-	-	-	-
5	Profit/(Loss) before Tax (3-4)	37	146	82	183	155	396
6	TAX EXPENSES						
	a)Current Year Tax	8	25	14	33	27	70
	b)Earlier Year Tax	(1)	-	-	(1)	-	-
	c)MAT Credit Utilised/(Entitlement)	(18)	(15)	(14)	(33)	(27)	(70)
	d)Deferred Tax	(7)	(2)	(9)	(9)	(8)	(21)
	Total Tax Expenses	(18)	8	(9)	(10)	(8)	(21)
	Net Profit/(Loss) from Ordinary Activities after Tax (5-6)	55	138	91	193	162	417
8	Extraordinary Items (Net of Tax Expense)	-	-	-	-	-	-
9	Net Profit/(loss) for the period (7-8)	55	138	91	193	162	417
10	Profit/(loss) for the period attributable to						
	a)Owners of the Company	55	138	91	193	162	417
	b)Non Controlling Interest	-	-	-	-	-	-
11	Other Comprehensive Income						
	- Items that will be reclassified to Profit/Loss (arising due to Gain/Loss on Cashflow Hedges)	(3)	1	(2)	(2)	2	6
12	Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period) (10+11)	52	139	88	191	164	423
13	Earnings per Equity share: (In Rs)						
	(1) Basic	1.52	3.80	2.51	5.32	4.47	11.51
	(2) Diluted	1.52	3.80	2.51	5.32	4.47	11.51
14	Paid-up Equity Share Capital (Face Value of Rs. 5/- each)	181	181	181	181	181	181
15	Reserve excluding Revaluation Reserves as per Balance Sheet of previous Accounting Year						5,111



AUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2024

(Rs in Crs)

Sr. No.	Particulars	Consolidated Result					
		3 Months Ended			Half Year Ended		Year Ended
		30th Sep 2024 (Audited)	30th Jun 2024 (Audited)	30th Sep 2023 (Audited)	30th Sep 2024 (Audited)	30th Sep 2023 (Audited)	31st Mar 2024 (Audited)
1	INCOME						
	Revenue from Operations (Gross)	1,786	2,012	1,597	3,797	3,168	7,012
	Less: GST Collected	158	157	143	315	300	640
	a) Revenue from Operations (Net)	1,628	1,855	1,454	3,482	2,868	6,372
	b) Other Income	5	6	0	11	0	8
	Total Income	1,632	1,860	1,454	3,493	2,868	6,381
2	EXPENSES						
	a) Cost of Materials Consumed	1,059	1,056	876	2,115	1,704	3,770
	b) Purchases of Stock-in-Trade	39	75	23	114	107	204
	c) Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade	(81)	24	(45)	(57)	(103)	(94)
	d) Employee Benefits Expense	105	113	99	218	201	404
	e) Finance Costs	62	64	58	126	99	211
	f) Depreciation and Amortisation Expenses	108	102	93	210	182	378
	g) Other Expenses	310	281	267	590	525	1,112
	Total Expenses	1,601	1,716	1,372	3,316	2,715	5,985
3	Profit/(Loss) before Exceptional Items and Tax (1-2)	32	145	82	176	153	395
4	Exceptional Items	(2)	-	-	(2)	-	-
5	Profit/(Loss) before Tax (3-4)	34	145	82	179	153	395
6	TAX EXPENSES						
	a) Current Year Tax	8	25	14	33	27	70
	b) Earlier Year Tax	(1)	-	-	(1)	-	-
	c) MAT Credit Utilised/(Entitlement)	(18)	(15)	(14)	(33)	(27)	(70)
	d) Deferred Tax	(7)	(2)	(9)	(9)	(7)	(21)
	Total Tax Expenses	(18)	8	(9)	(10)	(7)	(21)
	Net Profit/(Loss) from Ordinary Activities after Tax (5-6)	52	137	91	189	160	416
8	Extraordinary Items (Net of Tax Expense)	-	-	-	-	-	-
9	Net Profit/(loss) for the period (7-8)	52	137	91	189	160	416
10	Profit/(loss) for the period attributable to						
	a) Owners of the Company	52	137	91	189	160	416
	b) Non Controlling Interest	-	-	-	-	-	-
11	Other Comprehensive Income						
	- Items that will be reclassified to Profit/Loss (arising due to Gain/Loss on Cashflow Hedges)	(3)	1	(3)	(1)	3	6
12	Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period) (10+11)	50	138	87	188	163	422
13	Earnings per Equity share: (In Rs)						
	(1) Basic	1.44	3.77	2.50	5.22	4.43	11.49
	(2) Diluted	1.44	3.77	2.50	5.22	4.43	11.49
14	Paid-up Equity Share Capital (Face Value of Rs. 5/- each)	181	181	181	181	181	181
15	Reserve excluding Revaluation Reserves as per Balance Sheet of previous Accounting Year						5,109



Notes:-

- The above results for the quarter and half year ended September 30, 2024, have been reviewed by the Audit Committee and approved by the Board of Directors in their meetings held on November 8, 2024.
- 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. 1.28 Crs is expensed off in the P&L statement, while mark to market gain/(loss) in respect of long term contracts amounting to Rs. 3.95 Crs 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. 4.87 Crs) in respect of its long term borrowings (ECBs) as at September 30, 2024 and included the same in its Finance Costs appearing above.
- The Company has only one reportable segment i.e. Speciality Chemicals.
- The Company has retained its Long Term Issuers & Bank Facilities credit ratings of AA/Stable from CRISIL and India Ratings.
- The Company has repaid Commercial Papers on their respective due dates. The Commercial Papers (Listed) outstanding as on September 30, 2024 was Rs. 250 Crs. The Commercial papers (Short Term Debt) has been rated by India Rating and CRISIL and assigned is A+ rating by both the rating agencies.
- With effect from July 22, 2024, Augene Chemical Private Limited ceased to be a subsidiary of the Company and became a Joint venture entity.
- During the quarter Aarti Corporate Services Limited, ('ACSL' - a wholly owned subsidiary of the Aarti Industries Limited 'AIL'), entered into an agreement for sale of its entire stake of 50.49 % in Nascent Chemical Industries Limited ('NCIL') to its minority shareholders. Upon completion of the said sale, w.e.f. 30.09.2024, NCIL ceased to be subsidiary of ACSL as well as AIL.
- 15,215 Equity Shares of Rs. 5/- each were issued and allotted under the Aarti Industries Limited Performance Stock Option Plan 2022' ("PSOP 2022") during the quarter ended 30th September, 2024. Consequently, the issued and paid-up Share Capital of the Company stands increased to Rs. 1,81,25,96,250 as on 30th September, 2024
- Due date and actual date of repayment of principal amount for commercial paper issued during the period April 1, 2024 to September 30, 2024 are as per below table:

ISIN	Due date of Payment	Actual Date of Payment	Redemption Amount (Rs. in Crs)
INE769A14866	December 9, 2024 (issued on June 11, 2024)	-	250
INE769A14874	September 26, 2024	September 26, 2024	150

11 Other Disclosures:
A) Ratios:

Particulars	Standalone Result					
	3 Months Ended			Half Year Ended		Year Ended
	30th Sep 2024	30th Jun 2024	30th Sep 2023	30th Sep 2024	30th Sep 2023	31st Mar 2024
Operating Margin (%) (EBIDTA-Other Income)/(Gross Revenue)	10.63%	15.25%	14.62%	13.02%	13.79%	13.97%
Net Profit After Tax (in Crs)	55	138	91	193	162	417
Net Profit Margin (%) (PAT)/(Gross Revenue)	2.94%	6.88%	5.71%	4.97%	5.14%	5.97%
Debt Service Coverage Ratio (EBIT+Exceptional Items)/ (Interest Exp+Principal Repayments during the period)	0.81	1.39	1.04	1.13	1.01	1.01
Interest Service Coverage Ratio (Earnings before Interest and Tax/Interest Expenses for the period)	1.64	3.41	2.47	2.54	2.66	2.99
Net Worth (in Crs) (Equity Share Capital+Other Equity)	5,450	5,432	5,032	5,450	5,032	5,292
Net Debt-Equity Ratio (Total Net Debt)/(Total Equity)	0.65	0.60	0.54	0.65	0.54	0.58
Current Ratio* (Current Assets)/(Current Liabilities)	0.89	0.93	1.10	0.89	1.10	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)	8.31	8.33	2.80	8.31	2.80	4.55
Current Liability Ratio* (Total Current Liabilities)/(Total Liabilities)	0.63	0.63	0.59	0.63	0.59	0.58
Total Debts to Total Assets (Total Debts)/(Total Assets)	0.36	0.35	0.34	0.36	0.34	0.33
Debtors Turnover Ratio (Value of Sales & Services)/ (Average Trade Receivables)	8.99	9.20	1.75	9.30	3.50	7.59
Inventory Turnover Ratio (Cost Of Goods Sold)/(Average Inventories of Finished Goods, Stock-in-Process and Stock-in-Trade)	5.77	4.69	1.08	4.30	2.16	4.72



Particulars	Consolidated Result					
	3 Months Ended			Half Year Ended		Year Ended
	30th Sep 2024	30th Jun 2024	30th Sep 2023	30th Sep 2024	30th Sep 2023	31st Mar 2024
Operating Margin (%) (EBIDTA-Other Income)/(Gross Revenue)	11.04%	15.16%	14.58%	13.22%	13.70%	13.93%
Net Profit After Tax (in Crs)	52	137	91	189	160	416
Net Profit Margin (%) (PAT)/(Gross Revenue)	2.93%	6.80%	5.68%	4.98%	5.07%	5.94%
Debt Service Coverage Ratio (EBIT+Exceptional Items)/ (Interest Exp+Principal Repayments during the period)	0.78	1.38	1.04	1.12	1.00	1.01
Interest Service Coverage Ratio (Earnings before Interest and Tax/ Interest Expenses for the period)	1.59	3.39	2.46	2.51	2.63	2.98
Net Worth (in Crs) (Equity Share Capital+Other Equity)	5,443	5,429	5,030	5,443	5,030	5,290
Net Debt-Equity Ratio (Total Net Debt)/(Total Equity)	0.64	0.60	0.54	0.64	0.54	0.58
Current Ratio* (Current Assets)/(Current Liabilities)	0.89	0.93	1.10	0.89	1.10	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)	8.42	8.24	2.83	8.42	2.83	4.56
Current Liability Ratio* (Total Current Liabilities)/(Total Liabilities)	0.64	0.63	0.58	0.64	0.58	0.58
Total Debts to Total Assets (Total Debts)/(Total Assets)	0.36	0.35	0.34	0.36	0.34	0.33
Debtors Turnover Ratio (Value of Sales & Services)/ (Average Trade Receivables)	9.50	9.65	3.67	10.10	3.67	7.94
Inventory Turnover Ratio (Cost Of Goods Sold)/ (Average Inventories of Finished Goods,Stock-in-Process and Stock-in-Trade)	5.27	4.69	2.13	4.14	2.13	4.68

*Capex Bridge loans are excluded from current liabilities for the purpose of ratio calculation.

The 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.aarti-industries.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
DIN: 00061003

Place: Mumbai

Date: November 8, 2024



Standalone and Consolidated Statement of Assets and Liabilities

(Rs. in Crs)

Particulars	Standalone		Consolidated	
	As at 30th Sept, 2024	As at 31st March, 2024	As at 30th Sept, 2024	As at 31st March, 2024
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	5,590	5,539	5,635	5,583
Capital Work-in-Progress	1,393	1,059	1,393	1,059
Right of use Assets	53	53	53	53
Intangible Assets	23	13	23	13
Intangible Assets under Development	206	171	206	171
Financial Assets				
Investments	31	19	36	23
Loans and Advances	58	58	0	0
Deferred Tax Assets (Net & incl of MAT Credit)	185	143	186	144
Other Non-Current Assets	123	94	128	101
Total Non-Current Assets	7,662	7,147	7,658	7,147
Current Assets				
Inventories	1,446	1,151	1,549	1,160
Financial Assets				
Trade Receivables	801	867	678	826
Cash and Cash Equivalents	74	38	114	42
Bank Balances other than above	210	88	210	88
Loans and Advances	7	8	7	8
Others Financial Assets	11	10	11	10
Current Tax Assets (Net)	24	76	24	77
Other Current Assets	285	257	287	258
Total Current Assets	2,856	2,495	2,879	2,469
TOTAL ASSETS	10,518	9,643	10,538	9,616
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital	181	181	181	181
Other Equity	5,269	5,111	5,262	5,109
Non Controlling Interest			0	1
Total Equity	5,450	5,292	5,443	5,290
LIABILITIES				
Non-Current Liabilities				
Financial Liabilities				
i) Borrowings	1,652	1,524	1,652	1,524
ii) Lease Liabilities	49	49	49	49
Other Non Current Liabilities	155	175	155	175
Total Non-Current Liabilities	1,857	1,748	1,857	1,749
Current Liabilities				
Financial Liabilities				
i) Borrowings	2,171	1,659	2,173	1,660
ii) Lease Liabilities	9	9	9	9
iii) Trade Payables to:				
Micro and Small Enterprise	17	44	17	44
Other than Micro and Small Enterprise	584	504	571	477
iv) Other Financial Liabilities	330	252	330	252
Other Current Liabilities	75	93	113	94
Provisions	25	40	26	40
Total Current Liabilities	3,211	2,602	3,238	2,576
Total Liabilities	5,068	4,350	5,094	4,325
TOTAL EQUITY AND LIABILITIES	10,518	9,643	10,538	9,616

Note:-

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

For AARTI INDUSTRIES LIMITED


 RAJENDRA V. GOGRI
 CHAIRMAN AND MANAGING DIRECTOR
 DIN: 00061003

 Place : Mumbai
 Date: November 8, 2024


Cash Flow Statement for the half year ended 30th September, 2024


(Rs in Crs)

Sr. No.	Particulars	Standalone		Consolidated	
		30th Sept 2024	30th Sept 2023	30th Sept 2024	30th Sept 2023
A.	Cash Flow from Operating Activities:				
	Net Profit before Tax and Exceptional/Extraordinary Items	183	155	176	153
	Adjustments for:				
	Finance Costs	126	98	126	99
	Depreciation and Amortisation Expenses	210	182	210	182
	Loss on Sale of Assets/Investments	0	5	0	5
	Consolidated Adjustment	0	0	(1)	(0)
		519	439	512	439
	Profit on Sale of Assets/Investments	(1)	(0)	(1)	(0)
	Interest Income	(3)	(0)	0	0
	Lease Rent Income	(0)	(0)	(0)	(0)
	Operating Profit before Working Capital Changes	514	439	511	439
	Adjustments for:				
	(Increase)/Decrease in Trade and Other Receivables	11	155	93	163
	Increase/(Decrease) in Trade Payables and Other Current Liabilities	80	296	131	281
	(Increase)/Decrease in Inventories	(295)	(168)	(390)	(165)
	Cash Generated from Operations	310	722	346	718
	Direct Taxes Paid	21	(34)	21	(34)
	Net Cash Flow from Operating Activities (A)	331	688	366	684
B.	Cash Flow from Investing Activities:				
	Addition to Property, Plant & Equipments, Capital WIP & Intangible Assets	(673)	(575)	(672)	(575)
	Sale/Written off of Property, Plant & Equipment and other Fixed Assets	39	5	39	5
	(Increase)/Decrease in Other Bank Balance	(122)	(235)	(122)	(235)
	Investment in Subsidiary companies/ Joint Venture	(12)	(0)	(12)	0
	(Increase)/Decrease in Other Investments	0	(6)	0	(6)
	Lease Rent Income	0	0	0	0
	Net Cash Flow from Investing Activities (B)	(768)	(811)	(768)	(811)
C.	Cash Flow from Financing Activities:				
	Proceeds of Long-Term Borrowings	338	711	338	711
	Repayment of Long-Term Borrowings	(285)	(275)	(285)	(275)
	Proceeds/Repayment of Other Borrowings	588	(156)	588	(155)
	Proceed from issue of Eq. Share under ESOP Scheme	0	0	0	0
	Principal Repayment of Lease Liability	(5)	(4)	(5)	(4)
	Finance Costs	(126)	(98)	(126)	(99)
	Dividend Paid	(36)	(54)	(36)	(54)
	Net Cash Flow from Financing Activities (C)	473	123	474	124
	Net Increase/(Decrease) in Cash and Bank Balances (A+B+C)	36	0	72	(3)
	Cash and Cash Equivalents (Opening Balance)	38	161	42	167
	Cash and Cash Equivalents (Closing Balance)	74	161	114	165

Note:-

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS-7 on the Statement of Cash Flow as notified under Companies (Indian Accounting Standard) Rules, 2015 as amended.
- Figures for the previous period have been regrouped or rearranged wherever necessary.

For AARTI INDUSTRIES LIMITED


 RAJENDRA V. GOGRI
 CHAIRMAN AND MANAGING DIRECTOR
 DIN: 00061003

 Place : Mumbai
 Date: November 8, 2024

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Registered Office: Plot No.801/23, GIDC, Phase III, Vapi, Dist. Valsad, GJ - 396 195, IN | Tel: +91 260 2400366



Independent Auditors' Report on Audit of Standalone Financial Results

To Board of Directors of
Aarti Industries Limited

Report on the Audit of the Standalone Financial Results

Opinion

We have audited the accompanying standalone financial results of Aarti Industries Limited ('the Company') for the quarter and period ended 30th September 2024 ('standalone financial results') attached herewith, being submitted by the Company pursuant to regulatory requirements of Regulation 33 and 52 of the Securities and Exchange Board of India (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, the aforesaid standalone financial results:

1. are presented in accordance with the requirements of Regulation 33 and 52 of the Listing Regulations in this regard; and
2. give a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards 34 "Interim Financial Reporting" ("Ind AS-34") prescribed under section 133 of the Companies Act 2013 read with relevant rules thereunder and other accounting principles generally accepted in India of net profit and total other comprehensive income and other financial information of the Company for the quarter and period ended 30th September 2024.

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.

Managements and Board of Directors' Responsibilities for the Standalone Financial Results

These quarterly and year to date standalone financial results have been prepared on the basis of the interim financial statements. The Company's Management and the Board of Directors are responsible for the preparation of these standalone financial results that give a true and fair view of the net profit/loss 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 and 52 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 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 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 management and 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 management and 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 is 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 these 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 skepticism 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 such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management and the Board of Directors in terms of the requirements specified under Regulation 33 and 52 of the Listing Regulations.





- 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 standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial results.

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

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21/11/24



Uday Girjapure
Partner
Membership No. 161776
UDIN: 24161776BKFXRB6634
Date: November 8, 2024
Place: Mumbai



Independent Auditors' Report on Audit of Consolidated Financial Results

To 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'), its subsidiaries and a joint venture (Holding Company together with its subsidiaries and a joint venture 'the Group') for the quarter and period ended 30th September 2024 ('Consolidated financial results'), being submitted by the Holding Company pursuant to regulatory requirements of Regulation 33 and 52 of the Securities and Exchange Board of India (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, and based on the consideration of the reports of the other auditors on separate financial statements / financial information of subsidiaries (refer other matter paras), the Statement:

1. Includes the results of the following entities:
 - a. Subsidiaries**
 - 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) till 30th September 2024
 - iv. Alchemie (Europe) Limited
 - v. Innovative Envirocare Jhagadia Limited
 - vi. Aarti Polychem Private Limited
 - vii. Aarti Bharuch Limited
 - viii. Aarti Circularity Limited (Previously known as Aarti Spechem Limited)
 - ix. Aarti Chemical Trading – FZCO
 - x. Augene Chemical Private Limited (subsidiary till 22nd July 2024)
 - b. Joint Venture**
 - i. Augene Chemical Private Limited (with effect from 23rd July 2024)
2. are presented in accordance with the requirements of Regulation 33 and 52 of the Listing Regulations in this regard; and
3. give a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards 34 "Interim Financial Reporting" ("Ind AS-34") prescribed under section 133 of the Companies Act 2013 read with relevant rules thereunder and other accounting principles generally accepted in India of the Consolidated net profit and Consolidated total other comprehensive income and other financial information of the Group for the quarter and period ended 30th September 2024.





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 Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Consolidated Financial Results.

These quarterly and year to date Consolidated Financial Results have been prepared on the basis of the consolidated 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 and 52 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 skepticism 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 controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management and the Board of Directors in terms of the requirements specified under Regulation 33 and 52 of the Listing Regulations.
- 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. Our responsibilities in this regard are further described in the section titled 'Other Matters' in this audit report.

Materiality is the magnitude of misstatements in the Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Results.

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

I. Financial Results of components not audited by us.

- a) The consolidated financial results include the audited financial results of 6 subsidiaries whose financial Results reflect total assets of Rs. 70.08 Crores (before consolidation adjustments) as at 30th September 2024, total revenues of Rs. 1.53 Crores and Rs. 4.01 Crores (before consolidation adjustments) and total net loss after tax of Rs. 1.47 Crores and Rs. 2.43 Crores (before consolidation adjustments) for the quarter and period ended 30th September 2024 and cash inflows (net) of Rs. 1.98 Crores (before consolidation adjustments) for the period ended 30th September 2024 respectively as considered in the consolidated financial results, which have been audited by their respective independent auditors. The independent auditors' reports on Financial Results 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.





- b) The consolidated financial results include the unaudited financial results of 2 foreign subsidiary whose financial Results/ financial information reflects total assets of Rs. 156.68 Crores (before consolidation adjustments) as at 30th September 2024, total revenues of Rs. 12.17 Crores and Rs. 22.89 Crores (before consolidation adjustments) and total net loss after tax of Rs. 0.17 Crores and Rs. 0.31 Crores (before consolidation adjustments) for the quarter and period ended 30th September 2024 and cash inflows (net) of Rs. 34.39 Crores (before consolidation adjustments) for the period ended 30th September 2024 respectively as considered in the consolidated financial results. These unaudited financial results 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 statements. In our opinion and according to the information and explanations given to us by the Board of Directors, these interim financial statements are not material to the Group.

Our opinion is not modified in respect of the above matter.

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

Uday Girjapure
Partner
Membership No. 161776
UDIN: 24161776BKFXRC6584
Date: November 8, 2024
Place: Mumbai

