



**AARTI
INDUSTRIES
LIMITED**

Ref. No: AIL/B-41/2021/030
August 6, 2021

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

Sub: Audited Financial Results for the quarter ended
June 30, 2021

The Board of Directors at their meeting held today i.e. **Friday, August 6, 2021** inter-alia considered and approved the following;

- Audited Standalone and Consolidated Financial Results for the Quarter ended June 30, 2021,
- Segment wise Revenue Results (Standalone and Consolidated) for the Quarter ended June 30, 2021,
- Auditor’s Report on the Financial Results (Standalone and Consolidated) for the Quarter ended June 30, 2021,

The Meeting of the Board of Directors commenced at 2:00 p.m. and concluded at 6:45 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 ENDED 30TH JUNE 2021

(Rs in Lakhs)

| Sr. No. | Particulars | Standalone Result | | | |
|------------|---|----------------------------|----------------------------|----------------------------|----------------------------|
| | | 3 Months Ended | | | Year Ended |
| | | 30th Jun 2021 (Audited) | 31st Mar 2021 (Audited) | 30th Jun 2020 (Audited) | 31st Mar 2021 (Audited) |
| 1 | INCOME | | | | |
| | Revenue from Operations (Gross) | 149,678 | 127,173 | 99,670 | 480,782 |
| | Less: GST Collected | 18,275 | 12,862 | 9,186 | 49,111 |
| | a)Revenue from Operations (Net) | 131,403 | 114,311 | 90,484 | 431,671 |
| | b)Other Income | 1 | 9 | 1 | 195 |
| | Total Income | 131,404 | 114,320 | 90,485 | 431,866 |
| 2 | EXPENSES | | | | |
| | a)Cost of Materials Consumed | 69,906 | 54,428 | 42,370 | 192,284 |
| | b)Purchases of Stock-in-Trade | 4,121 | 3,406 | 4,578 | 18,579 |
| | c)Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade | (11,368) | (5,517) | (3,671) | (6,541) |
| | d)Employee Benefits Expense | 9,747 | 9,352 | 8,679 | 35,828 |
| | e)Finance Costs | 3,810 | 2,251 | 2,519 | 8,616 |
| | f)Depreciation and Amortisation Expenses | 6,684 | 6,234 | 4,877 | 21,831 |
| | g)Other Expenses | 28,329 | 27,782 | 20,936 | 98,069 |
| | Total Expenses | 111,229 | 97,936 | 80,288 | 368,666 |
| 3 | Profit/(Loss) before Exceptional Items and Tax (1-2) | 20,175 | 16,384 | 10,197 | 63,200 |
| 4 | Exceptional Items | - | - | - | - |
| 5 | Profit/(Loss) before Tax (3-4) | 20,175 | 16,384 | 10,197 | 63,200 |
| 6 | TAX EXPENSES | | | | |
| | a)Current Year Tax | 3,525 | 2,800 | 1,750 | 11,000 |
| | b)Earlier Year Tax | - | - | - | - |
| | c)MAT Credit Utilised/(Entitlement) | - | - | (200) | (1,350) |
| | d)Deferred Tax | 400 | 200 | 500 | 2,200 |
| | Total Tax Expenses | 3,925 | 3,000 | 2,050 | 11,850 |
| 7 | Net Profit/(Loss) from Ordinary Activities after Tax (5-6) | 16,250 | 13,384 | 8,147 | 51,350 |
| 8 | Extraordinary Items (Net of Tax Expense `) | - | - | - | - |
| 9 | Net Profit/(loss) for the period (7-8) | 16,250 | 13,384 | 8,147 | 51,350 |
| 10 | Profit/(loss) for the period attributable to | | | | |
| | a)Owners of the Company | 16,250 | 13,384 | 8,147 | 51,350 |
| | b)Non Controlling Interest | - | - | - | - |
| 11 | Other Comprehensive Income | (302) | 124 | 877 | |
| 12 | Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period) (10+11) | 15,948 | 13,508 | 9,024 | 51,350 |
| 13 | Earnings per Equity share: | | | | |
| | (1) Basic | 4.48 | 7.68 | 4.68 | 29.47 |
| | (2) Diluted | 4.66 | 7.68 | 4.68 | 29.47 |
| 14 | Earnings per Equity share: (after adjusting historic EPS numbers for Bonus issue of June 2021) | | | | |
| | (1) Basic | 4.48 | 3.84 | 2.34 | 14.74 |
| | (2) Diluted | 4.66 | 3.84 | 2.34 | 14.74 |
| 15 | Paid-up Equity Share Capital (Face Value of Rs. 5/-each) | 18,125 | 8,712 | 8,712 | 8,712 |
| 16 | Reserve excluding Revaluation Reserves as per Balance Sheet of previous Accounting Year | | | | 332,462 |



AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE 2021

(Rs in Lakhs)

| Sr. No. | Particulars | Consolidated Result | | | |
|-----------|---|----------------------------|----------------------------|----------------------------|----------------------------|
| | | 3 Months Ended | | | Year Ended |
| | | 30th Jun 2021 (Audited) | 31st Mar 2021 (Audited) | 30th Jun 2020 (Audited) | 31st Mar 2021 (Audited) |
| 1 | INCOME | | | | |
| | Revenue from Operations (Gross) | 150,335 | 134,680 | 103,512 | 502,328 |
| | Less: GST Collected | 18,659 | 13,745 | 9,779 | 51,718 |
| | a)Revenue from Operations (Net) | 131,676 | 120,935 | 93,733 | 450,610 |
| | b)Other Income | 5 | 1 | 22 | 70 |
| | Total Income | 131,681 | 120,936 | 93,755 | 450,680 |
| 2 | EXPENSES | | | | |
| | a)Cost of Materials Consumed | 66,513 | 55,300 | 42,939 | 193,757 |
| | b)Purchases of Stock-in-Trade | 5,803 | 5,122 | 5,499 | 24,424 |
| | c)Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade | (11,309) | (4,560) | (3,741) | (5,325) |
| | d)Employee Benefits Expense | 9,947 | 9,762 | 8,968 | 37,138 |
| | e)Finance Costs | 3,829 | 2,162 | 2,532 | 8,637 |
| | f)Depreciation and Amortisation Expenses | 6,859 | 6,564 | 5,199 | 23,131 |
| | g)Other Expenses | 29,341 | 29,281 | 21,869 | 102,463 |
| | Total Expenses | 110,983 | 103,631 | 83,265 | 384,225 |
| 3 | Profit/(Loss) before Exceptional Items and Tax (1-2) | 20,698 | 17,305 | 10,490 | 66,455 |
| 4 | Exceptional Items | - | - | - | - |
| 5 | Profit/(Loss) before Tax (3-4) | 20,698 | 17,305 | 10,490 | 66,455 |
| 6 | TAX EXPENSES | | | | |
| | a)Current Year Tax | 3,675 | 2,971 | 1,818 | 11,603 |
| | b)Earlier Year Tax | - | - | - | - |
| | c)MAT Credit Utilised/(Entitlement) | 101 | 98 | (148) | (980) |
| | d)Deferred Tax | 414 | 302 | 500 | 2,310 |
| | Total Tax Expenses | 4,190 | 3,371 | 2,170 | 12,933 |
| 7 | Net Profit/(Loss) from Ordinary Activities after Tax (5-6) | 16,508 | 13,934 | 8,320 | 53,522 |
| 8 | Extraordinary Items (Net of Tax Expense `) | - | - | - | - |
| 9 | Net Profit/(loss) for the period (7-8) | 16,508 | 13,934 | 8,320 | 53,522 |
| 10 | Profit/(loss) for the period attributable to | | | | |
| | a)Owners of the Company | 16,486 | 13,610 | 8,186 | 52,347 |
| | b)Non Controlling Interest | 22 | 324 | 134 | 1,175 |
| 11 | Other Comprehensive Income | (30) | (10) | 877 | 4,794 |
| 12 | Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period) (10+11) | 16,456 | 13,600 | 9,063 | 57,141 |
| 13 | Earnings per Equity share: | | | | |
| | (1) Basic | 4.55 | 7.81 | 4.70 | 30.04 |
| | (2) Diluted | 4.73 | 7.81 | 4.70 | 30.04 |
| 14 | Earnings per Equity share: (after adjusting historic EPS numbers for Bonus issue of June 2021) | | | | |
| | (1) Basic | 4.55 | 3.91 | 2.35 | 15.02 |
| | (2) Diluted | 4.73 | 3.91 | 2.35 | 15.02 |
| 15 | Paid-up Equity Share Capital (Face Value of Rs. 5/-each) | 18,125 | 8,712 | 8,712 | 8,712 |
| 16 | Reserve excluding Revaluation Reserves as per Balance Sheet of previous Accounting Year | | | | 341,527 |




Notes:-

- 1 The above results for the quarter ended June 30, 2021, have been reviewed by the Audit Committee and approved by the Board of Directors in their meetings held on August 6, 2021.
- 2 Pursuant to the approval of shareholders in their Extra Ordinary General Meeting held on June 14, 2021, the Company has issued 17,42,34,474 fresh equity shares of Rs. 5 /- each as Bonus shares in proportion of 1:1 (i.e. one bonus share for every one equity share held by the shareholders as on the record date i.e. June 23, 2021). Consequently, the basic and diluted earnings per share for the quarter and year ended March 31, 2021 presented above have been adjusted to give effect to the aforesaid issue of bonus shares. Hence, to that extent the basic and diluted earnings per share for the quarter ended June 30, 2020 (for both Standalone and Consolidated) are not comparable.
- 3 The Company allotted 1,40,35,087 nos. of fresh Equity Shares to the Qualified Institutional Buyers at the price of Rs. 855/- each (including premium of Rs. 850 /- each) in respect of qualified institutional placement [QIP] made by the Company on June 30, 2021.
- 4 Pursuant to the issue of Bonus shares & allotment of shares under QIP issue ,the paid up equity shares Capital of the Company has gone up to Rs 18,125 Lakhs.
- 5 The Company has entered into forward contracts to hedge its export contracts. 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. 157 Lakhs is expensed off in the above P&L statement, while mark to market gain/(loss) in respect of long term contracts amounting to Rs. 878 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.
- 6 The Company had further recognised revaluation gain/(loss) to the extent of (Rs. 1,311) Lakhs in respect of its long term borrowings (ECBs) as at 30th June, 2021 and included the same in its Finance Costs appearing above.
- 7 The Company has retained its Long Term Issuers & Bank Facilities credit ratings of AA-/Positive- from CRISIL and AA/Stable from India Ratings.
- 8 The Company has repaid Commercial Papers on their respective due dates. The Commercial Papers (Listed) outstanding as on June 30, 2021 was Rs. 40,000 Lakhs. The Commercial papers (Short Term Debt) has been rated by India Rating and CRISIL and assigned is A1+ rating by both the rating agencies.
- 9 Figures for the previous period have been regrouped or rearranged wherever necessary.
- 10 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.

Place: Mumbai
Date: August 6, 2021

For AARTI INDUSTRIES LIMITED


RAJENDRA V. GOGRI
CHAIRMAN AND MANAGING DIRECTOR



**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 | | | Year Ended |
| | | 30th Jun 2021 (Audited) | 31st Mar 2021 (Audited) | 30th Jun 2020 (Audited) | 31st Mar 2021 (Audited) |
| 1 | Segment Revenue (Gross) | | | | |
| | a) Speciality Chemicals | 125,655 | 104,790 | 80,243 | 393,594 |
| | b) Pharmaceuticals | 24,023 | 22,383 | 19,427 | 87,188 |
| | Total Revenue (Gross) | 149,678 | 127,173 | 99,670 | 480,782 |
| | Less: GST Collected | 18,275 | 12,862 | 9,186 | 49,111 |
| | Total Revenue (Net) | 131,403 | 114,311 | 90,484 | 431,671 |
| 2 | Segment Results Profit / (Loss) (Before Tax and Interest from each Segment) | | | | |
| | a) Speciality Chemicals | 23,107 | 19,846 | 12,545 | 71,292 |
| | b) Pharmaceuticals | 4,765 | 4,748 | 4,531 | 20,458 |
| | Total | 27,872 | 24,594 | 17,076 | 91,750 |
| | Less: Interest | 3,810 | 2,251 | 2,519 | 8,616 |
| | Other Unallocable Expenditure (Net) | 3,887 | 5,959 | 4,360 | 19,934 |
| | Total Profit before Tax | 20,175 | 16,384 | 10,197 | 63,200 |
| 3 | Segment Assets | | | | |
| | a) Speciality Chemicals | 590,467 | 554,606 | 476,270 | 554,606 |
| | b) Pharmaceuticals | 124,952 | 119,299 | 97,922 | 119,299 |
| | c) Unallocated Capital | 43,506 | 36,870 | 35,853 | 36,870 |
| | Total | 758,925 | 710,775 | 610,045 | 710,775 |
| | Segment Liabilities | | | | |
| | a) Speciality Chemicals | 132,680 | 124,049 | 113,990 | 124,049 |
| | b) Pharmaceuticals | 14,693 | 16,319 | 11,478 | 16,319 |
| | c) Unallocated Capital | 22,898 | 21,098 | 19,398 | 21,098 |
| | Total | 170,271 | 161,466 | 144,866 | 161,466 |



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)

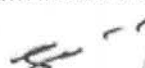
| Sr. No. | Particulars | Consolidated Result | | | |
|----------|---|----------------------------|----------------------------|----------------------------|----------------------------|
| | | 3 Months Ended | | | Year Ended |
| | | 30th Jun 2021 (Audited) | 31st Mar 2021 (Audited) | 30th Jun 2020 (Audited) | 31st Mar 2021 (Audited) |
| 1 | Segment Revenue (Gross) | | | | |
| | a) Speciality Chemicals | 126,312 | 112,297 | 84,085 | 415,140 |
| | b) Pharmaceuticals | 24,023 | 22,383 | 19,427 | 87,188 |
| | Total Revenue (Gross) | 150,335 | 134,680 | 103,512 | 502,328 |
| | Less: GST Collected | 18,659 | 13,745 | 9,779 | 51,718 |
| | Total Revenue (Net) | 131,676 | 120,935 | 93,733 | 450,610 |
| 2 | Segment Results Profit / (Loss) (Before Tax and Interest from each Segment) | | | | |
| | a) Speciality Chemicals | 23,715 | 20,967 | 12,962 | 75,275 |
| | b) Pharmaceuticals | 4,765 | 4,748 | 4,531 | 20,458 |
| | Total | 28,480 | 25,715 | 17,493 | 95,733 |
| | Less: Interest | 3,829 | 2,162 | 2,532 | 8,637 |
| | Other Unallocable Expenditure (Net) | 3,953 | 6,248 | 4,471 | 20,641 |
| | Total Profit before Tax | 20,698 | 17,305 | 10,490 | 66,455 |
| 3 | Segment Assets | | | | |
| | a) Speciality Chemicals | 600,573 | 563,860 | 498,282 | 563,860 |
| | b) Pharmaceuticals | 124,952 | 119,299 | 97,922 | 119,299 |
| | c) Unallocated Capital | 45,263 | 39,777 | 36,668 | 39,777 |
| | Total | 770,788 | 722,936 | 632,872 | 722,936 |
| | Segment Liabilities | | | | |
| | a) Speciality Chemicals | 132,631 | 123,730 | 115,314 | 123,730 |
| | b) Pharmaceuticals | 14,693 | 16,319 | 11,478 | 16,319 |
| | c) Unallocated Capital | 24,153 | 23,394 | 21,601 | 23,394 |
| | Total | 171,477 | 163,443 | 148,393 | 163,443 |

Notes:-

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

Place : Mumbai
Date: August 6, 2021

For AARTI INDUSTRIES LIMITED


RAJENDRA V. GOGRI
CHAIRMAN AND MANAGING DIRECTOR



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 June, 2021 and the year to date results for the period from April 1, 2021 to June 30, 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 June 30, 2021 as well as the year to date results for the period from April 1, 2021 to June 30, 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 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.

Kirtane & Pandit LLP - Chartered Accountants
Bengaluru | Hyderabad | Mumbai | Nashik | Pune



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:

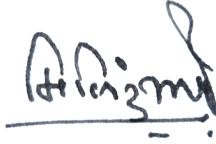
- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not 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: 21047973AAAADF1720

Place: Mumbai
Date : August 06, 2021

KIRTANE & PANDIT

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 June 30, 2021 and for the period from April 1, 2021 to June 30, 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 June 30, 2021 and the corresponding period from April 1, 2021 to June 30, 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

Kirtane & Pandit LLP - Chartered Accountants

Bengaluru | Hyderabad | Mumbai | Nashik | Pune

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Regd. Office: 5th Floor, Wing A, Gopal House, S.No. 127/1B/1, Plot-A1, Opp. Harshal Hall, Pune - 411 029, India | T: +91 20 67295100, 25433104, 8764 | F: +91 20 25447603 | www.kirtanepandit.com

Kirtane & Pandit (a Partnership Firm with Registration No. MPA-3441) converted into Kirtane & Pandit LLP (a Limited Liability Partnership with LLP Registration No. AAD-6418), with effect from 27th March, 2015.

- 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 June 30, 2021 and for the period from April 1,2021 to June 30,2021.

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.

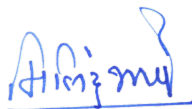
We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

The consolidated Financial Results include the financial results of 11 subsidiaries and 1 jointly controlled entity, whose interim Financial Statements/Financial Results/ financial information reflects Group's share of total revenue of Rs. 111.38 Cr and Group's share of total net profit after tax of Rs.45.66 Cr for the quarter ended June 30, 2021 and for the period from April 1, 2021 to June 30, 2021, 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.

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: 21047973AAAADH9706
Place: Mumbai
Date: August 6, 2021**