

May 8, 2025

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

BSE 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.
NSE CODE:AARTIIND

Dear Sir/Madam,

Sub.: Results Presentation
Ref: Regulation 30 of the SEBI
(LODR) Regulations, 2015

Please find enclosed herewith the Q4 FY25 Results Presentation of the Company for your records.

Kindly take the same on record.

Thanking You,

Yours faithfully,
FOR AARTI INDUSTRIES LIMITED

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



Q4FY25 Performance Update
08 May 2025

Resilient Today

Promising Tomorrow

Disclaimer

AARTI INDUSTRIES LIMITED may, from time to time, make written and oral forward looking statements, in addition to statements contained in the company's filings with BSE Limited [BSE] and National Stock Exchange of India Limited [NSE], and our reports to shareholders. The company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the AARTI INDUSTRIES LIMITED.

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Company overview

Q4FY25 and YTM FY25 Highlights

Future Outlook and Roadmap



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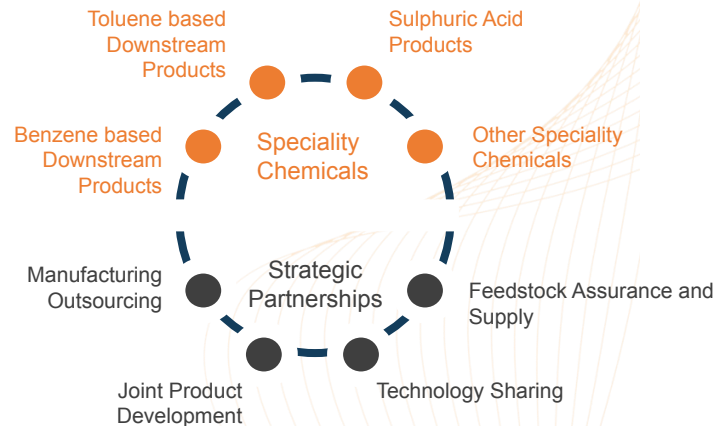
Company overview

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Future Outlook and Roadmap

Aarti Industries at a Glance

- Established by **first generation technocrats** in **1984**
- Integrated operations** and high-cost optimization
- Key **value chains** include Nitro Chloro Benzenes, Di-Chlorobenzenes, Phenylenediamines, Nitro Toluene Value Chain and Sulphuric Acid & downstream
- Strong **R&D capabilities** with IPRs for customized products
- Strategically located**: In western India with proximity to ports



100+
Products



1100+
Domestic &
Global Customers



60
Exporting
Countries



16
Manufacturing
Plants



11
Zero Liquid
Discharge Plants



5
Co-generation
Power Plants



2
State-of-the art
R&D Centers



6,000+
Employees





PURPOSE

Right Chemistry for
a Brighter Tomorrow



VISION

To emerge as a Global Partner of
Choice for leading consumers of
speciality chemicals and intermediates



MISSION

Delighted Stakeholders

AIL VALUES



CARE



INTEGRITY



EXCELLENCE



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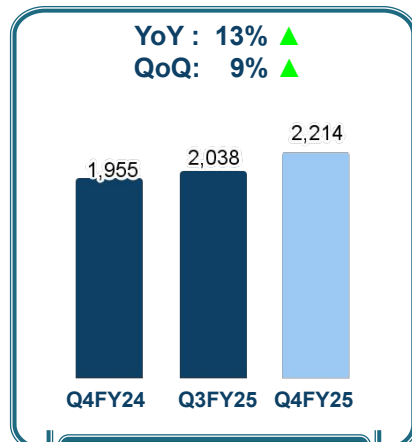
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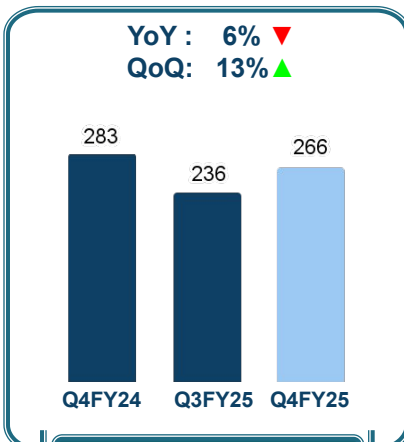
Future Outlook and Roadmap

Q4 & YTM FY25 Highlights (Consolidated)

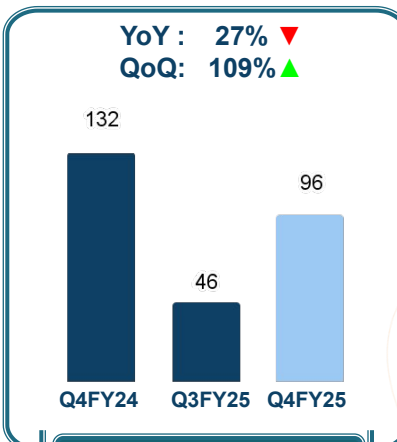
₹ in Cr



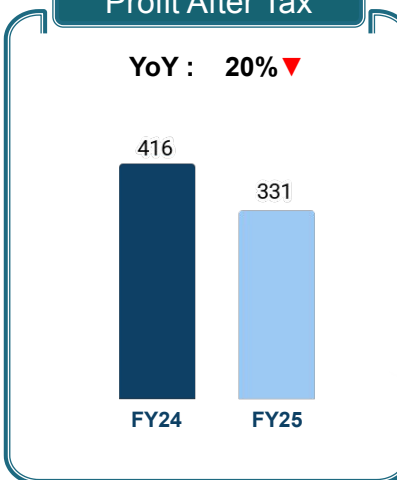
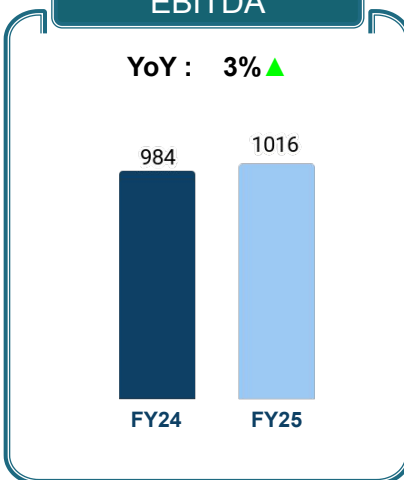
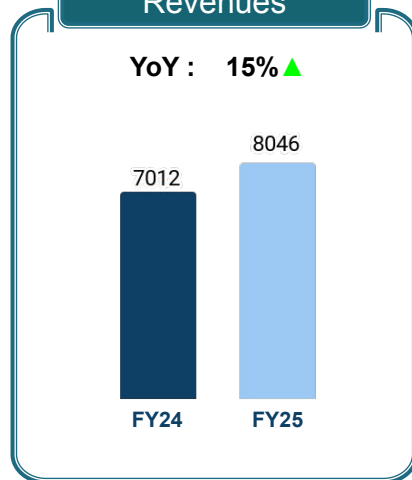
Revenues



EBITDA



Profit After Tax



- Non-Energy Business Volumes:
 - QoQ: 14% ▲
- Volume uptick visible across end applications of Dyes, Pigments, Polymer Additives, while Agrochemicals continues to remain soft
- Energy Business Volumes:
 - QoQ: 21% ▲
- Efforts to widen the customer base and geographical outreach has resulted in the growth in Energy business volumes
- Pricing pressure persist across various product chains

Environment, Social and Governance



- CDP rating us to move to **Leadership band in Climate change and Water security**
- **Ecovadis Gold rating** in Sustainability in 2025
- S&P Global (DJSI) | **AIL's ESG score improved** from 43 to 62 putting us in the **top Decile of global chemical companies**
- **“Responsible Care”** certification for 3 Years starting April 2025



Capacity Expansions



- **Successful commissioning of expansion projects in Ethylation value chain.** Nitro-toluene capacity increase to 45 kT; ethylation capacity expanding to 30 kT
- NCB capacity demonstrated equivalent to 108 kT
- ESA capacity successfully demonstrated equivalent to 221 kT
- Halex capacity debottlenecking project moved to commissioning phase
- MMA expansion to 200kT completed

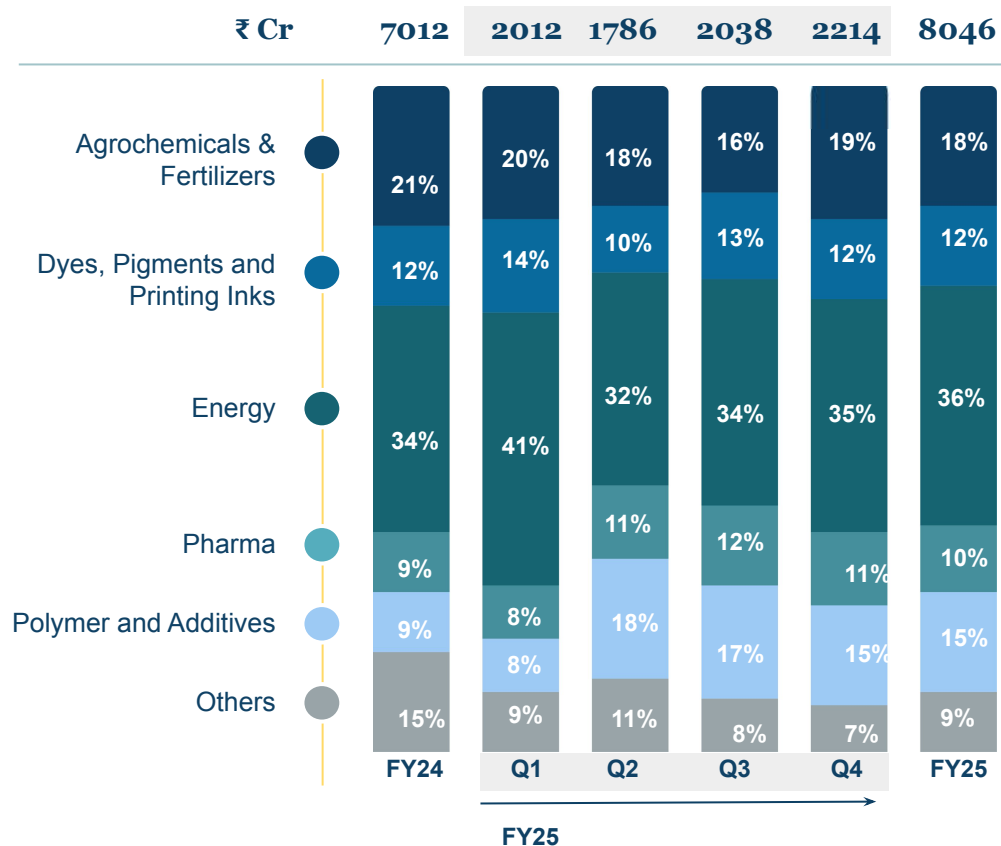
Cost Efficiency



Several planned Variable and Fixed cost optimization initiatives were completed in FY25 with plans in place to achieve similar targets in FY26

- Implementation of Back-Pressure Turbine Project to improve steam efficiency was successfully concluded
- Hybrid Power Phase-1 achieved full scale utilization reducing our carbon footprint along with cost savings
- Yield improvements in key products/ value chains
- Process optimisation driving cost savings across multiple products
- Fixed cost optimisation progressing well

Revenue by End Use



- FY25 end-use application mix is broadly similar to FY24 end-use mix
- Energy end application getting stabilized driven by higher volumes but lower margins due to pricing pressure
- Agrochemical sector continues to be under pressure.
- Dyes, Pigment & Printing Inks and Pharma applications remains steady.
- Polymer & Additives continues to be on a recovery path

Capacities and utilization trend for few major products

Product Groups	Capacity (in KTPA) (Expanded period)	FY22	FY23	FY24	Q1 FY25	Q2 FY25	Q3 FY25	Q4 FY25	FY25	Y-o-Y	FY25 Utilization%
NCB	108 (From Q3FY24)	76.6	77.8	73.5	19.5	19.0	22.9	23.9	85.3	16%	79%
DCB	120	74.6	84.2	80.7	24.1	23.3	20.8	20.4	88.6	10%	74%
Hydrogenation	60	35.7	37.2	39.1	10.3	11.2	11.3	11.6	44.4	14%	74%
PDA	12	6.5	4.2	4.4	0.6	1.0	1.3	1.0	3.9	-11%	33%
NT	45 (From Q4FY25)	16.0	23.9	30.5	7.6	7.4	6.5	7.9	29.4	-4%	65%
Ethylation	25-30 (From Q4FY25)	7.2	11.9	10.5	2.6	3.2	4.1	4.6	14.5	38%	48%
MMA	200 (From Q3FY25)	23.1	37.8	89.3	31.1	20.5	36.6	34.8	123	38%	62%

Significant upside possible from higher asset utilization—operating leverage tied to demand growth

Notes

1. Above capacities and volume nos are for few product only and not the entire range of AIL products.

Application wise market updates & business highlights (1/2)

End Use	Agrochemical & Fertilizers	Energy & Additives
Key Products	Chloro Anilines, Di Chloro Phenols, Ethylated & Fluorinated products	MMA, CaCl_2
Revenue Share ¹	18%	36%
Domestic / Exports ¹	<div><div>Domestic 39%</div><div>Export 61%</div></div>	<div><div>Domestic 20%</div><div>Export 80%</div></div>
Market Update	<ul style="list-style-type: none">Volumes recovery visible but prices are still under pressureUS Tariff situation may create new market opportunities	<ul style="list-style-type: none">Gasoline - Naphtha crack saw some support towards end of Q4. However, remains weak compared to FY24 compressing the MMA margins
Business Highlights	<ul style="list-style-type: none">Improved capacity utilization for ethylation, chloro aniline productsNew products to be launched during FY26 post asset completion	<ul style="list-style-type: none">Adjustments in pricing strategy led to uptick in Export volumes QoQStrategic efforts to diversify customer and geography base in progress

Application wise market updates & business highlights (2/2)

End Use	Dyes, Pigments & Printing Inks	Pharmaceuticals	Polymer and additives
Key Products	ONCB, DCBH, PNT	PNCB, MDCB & Fluorinated compounds	PDCB, MPDA, ONA
Revenue Share ¹	12%	10%	15%
Domestic / Exports ¹	<div> <div>Domestic 69%</div> <div>Export 31%</div> </div>	<div> <div>Domestic 82%</div> <div>Export 18%</div> </div>	<div> <div>Domestic 8%</div> <div>Export 92%</div> </div>
Market Update	<ul style="list-style-type: none"> Global consolidation driven by M&A within the industry segment 	<ul style="list-style-type: none"> India's domestic drug market continues to show robust growth US tariff on China expected to drive higher demand for Paracetamol in the Indian market 	<ul style="list-style-type: none"> Potential opportunities for Indian exports to the US due to tariff differential with China Weakening outlook for global automotive industry due to US tariff developments
Business Highlights	<ul style="list-style-type: none"> Demand volume improving; pricing pressure remains; Cost initiatives for specific products expected to tackle pricing pressure 	<ul style="list-style-type: none"> Domestic market share of PNCB in PAP/ downstream market expected to have positive developments from H1-FY26 	<ul style="list-style-type: none"> Strong focus on increasing market share and driving cost optimization Good traction in PDA exports to USA

Augene Chemical Private Limited



- Joint venture for manufacturing and marketing of specialty chemicals with multiple downstream applications
- Combines the strengths of both partners who will supply essential raw materials to the JV
- Project execution is progressing well

Re Aarti Private Limited



- Joint venture for driving the development of Plastic Materials Recycling Facilities across India with focus on Chemical recycling
- Combines the strength of ReSRL on waste management & resource recovery with AIL's expertise in speciality chemical manufacturing
- Resource recovery capacity of 500 TPD is targeted by 2030
- Technology finalisation targeted in Q1 FY26



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Key EBITDA Growth Drivers in near term (FY26 - FY28)

✓ Completed
✓ Partially Completed
⌚ Initiated - execution in progress

Cost Optimisation



Switching to BPT¹ to improve Cogen



Renewable Power phase 2



Waste energy streams utilization, ETP cost optimisation



Fixed cost optimization



Yield improvement

₹ 150-200 Cr

Volume and margin Ramp-up



Acid, DCB & NCB ramp-up



Ethylation & NT volume ramp-up



MMA volume ramp-up



Fluorination and Speciality Chemicals ramp-up

₹ 350-550 Cr

CAPEX led growth



Pilot commissioned to fuel NPD²



MPP comm.³

MPP ramp-up



Zone 4 comm.³

Zone 4 ramp-up



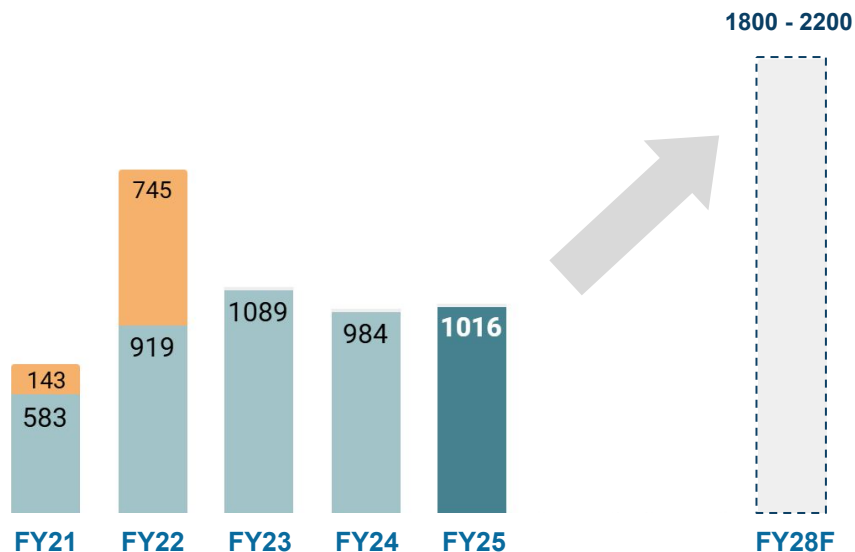
UPL JV comm.³

Ramp-up

₹ 300-450 Cr

Growth Outlook - consistent with previous update

- Core YTD EBITDA
- Contract-1 Cancellation
- Projected Annual EBITDA



Consolidated EBITDA ₹ in Cr

- Consistent volume growth over 3 yrs driven by increased capacities
- EBITDA for FY25 in line with the estimate of 1000-1050 given for the year
- Operating leverages and cost optimisation initiatives to drive EBITDA growth beyond volume growth
- Capex for FY26 estimated to be around ₹ 1000 Cr
- Target EBITDA range of ₹ 1800-2200 Cr in 3 years; Debt/EBITDA of <2.5x and ROCE of >15%



New Growth Avenues leveraging AIL's core strengths

- Sustainable manufacturing
- Newer Development Capabilities
- Customer Relationships

MPP and Zone 4 Commercialization

- R&D and MPP will support quick development, qualification and commercialization of new advanced chemistries
- Chlorotoluene commissioning and ramp up will open up new opportunities in Agro and Pharma business segments

Entry into Adjacent Markets and New Platforms

- Leverage current capabilities to newer applications like advanced materials, battery materials, defense, coatings segments
- Develop newer growth platforms in the space of sustainability / circularity

Strategic Alliances and CDMO

- Continue to promote India as manufacturing destination of choice and partner with customers for new India based investments
- Leverage R&D strength to provide CDMO services to key clients



Thank You



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