



AARTI INDUSTRIES LIMITED

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



Ref. No: AIL/B-33/2016/899
Date : 11th November, 2016.

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

To,
Listing/Compliance Department
**National Stock Exchange of
India Limited**
"Exchange Plaza", Plot No. C/1,
G Block Bandra-Kurla Complex,
Bandra (East),
Mumbai - 400 051.

BSE CODE -524208

NSE CODE:AARTIIND

Dear Sir/Madam,

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

Sub.: Audited Financial Results for the quarter and half year ended 30th September, 2016.

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are forwarding herewith the Audited Financial Results along with Auditor's Report on Quarterly and Half Yearly Financial Results of the Company and Segment wise Revenue Results for the quarter and half year ended 30th September, 2016 in the prescribed form which have been approved by the Board of Directors of the Company at its meeting held on **Friday, 11th November, 2016** at Mumbai.

The Meeting of the Board of Directors commenced at 12.30 p.m. and concluded at 4.00 p.m.

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

Please take note of the same on your record.

Thanking you,

Yours faithfully,
For **AARTI INDUSTRIES LIMITED**

MONA PATEL
COMPANY SECRETARY & COMPLIANCE OFFICER

Encl: as above.



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AUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2016.

(₹ in Lakhs)

Sr. No.	Particulars	3 Months Ended			6 Months Ended		12 Months Ended
		30th Sept 2016 (Audited)	30th Jun 2016 (Audited)	30th Sept 2015 (Audited)	30th Sept 2016 (Audited)	30th Sept 2015 (Audited)	31st Mar 2016 (Audited)
1	Income from Operations						
	a) Gross Sales/Income from operation	69,888	72,577	70,027	142,465	141,814	288,381
	b) Other Operating Income	1,137	963	971	2,100	2,683	4,983
	Total Income from Operations (Gross)	71,025	73,540	70,998	144,565	144,497	293,364
2	Expenses						
	a) Cost of Material Consumed	40,666	36,579	40,457	77,245	81,981	158,672
	b) Purchases of Stock-in-trade	2,368	3,180	2,784	5,548	6,624	11,432
	c) Changes in inventories of Finished Goods, Work-in-progress and Stock-in-trade	(5,443)	1,716	(1,171)	(3,727)	(975)	5,428
	d) Employee Benefits Expenses	3,431	3,259	2,581	6,690	5,035	11,039
	e) Depreciation and Amortisation Expense	2,764	2,680	2,258	5,444	4,432	9,269
	f) Other Expenses	14,909	13,342	13,178	28,251	25,491	53,773
	Total Expenses	58,695	60,756	60,087	119,451	122,588	249,613
3	Profit/(Loss) from Operations before Other Income, Finance Costs and Exceptional Items (1-2)	12,330	12,784	10,911	25,114	21,909	43,751
4	Other Income	18	36	47	54	66	964
5	Profit/(Loss) from Ordinary Activities before Finance Costs and Exceptional Items (3+4)	12,348	12,820	10,958	25,168	21,975	44,715
6	Finance Costs	2,898	2,698	2,965	5,596	5,994	11,590
7	Profit/(Loss) from Ordinary Activities after Finance Costs but before Exceptional Items (5-6)	9,450	10,122	7,993	19,572	15,981	33,125
8	Exceptional Items	-	-	-	-	-	-
9	Profit/(Loss) from Ordinary Activities before Tax (7-8)	9,450	10,122	7,993	19,572	15,981	33,125
10	Tax Expenses						
	a) Provision for Taxation-Current Year	1,900	1,975	1,500	3,875	2,950	6,250
	b) Provision for Taxation-Earlier Year	-	21	222	21	545	1,907
	c) MAT Credit Entitlement	(500)	(375)	(300)	(875)	(575)	(1,975)
	d) Provision for Deferred Tax	450	250	450	700	850	1,700
	Total Tax Expenses	1,850	1,871	1,872	3,721	3,770	7,882
11	Net Profit/(Loss) from Ordinary Activities after Tax (9-10)	7,600	8,251	6,121	15,851	12,211	25,243
12	Extraordinary Items (Net of Tax Expense ₹)	-	-	-	-	-	-
13	Net Profit/(loss) for the period (11-12)	7,600	8,251	6,121	15,851	12,211	25,243
14	Share of Profit/(Loss) of Associates	-	-	-	-	-	-
15	Minority Interest	-	-	-	-	-	-
16	Net Profit/(Loss) after Taxes, Minority Interest and Share of Profit/(Loss) of Associates (13+14+15)	7,600	8,251	6,121	15,851	12,211	25,243
17	Other Comprehensive Income/(Expenditure)	755	89	(152)	844	(242)	(1,008)
18	Net Profit/(Loss) after Total Comprehensive Income (after Tax) (16+17)	8,355	8,340	5,969	16,695	11,969	24,235
19	Paid-up Equity Share Capital (Face Value of ₹ 5/-each)	4,166	4,166	4,166	4,166	4,166	4,166
20	Reserve excluding Revaluation Reserves as per Balance Sheet of previous Accounting Year	-	-	-	-	-	105,203
21.i	Earnings Per Share (before Extraordinary Items) (of ₹ 5/- each) (not annualised)						
	a) Basic	9.12	9.90	7.35	19.02	14.66	30.30
	b) Diluted	9.12	9.90	7.35	19.02	14.66	30.30
21.ii	Earnings Per Share (after Extraordinary Items) (of ₹ 5/- each) (not annualised)						
	a) Basic	9.12	9.90	7.35	19.02	14.66	30.30
	b) Diluted	9.12	9.90	7.35	19.02	14.66	30.30
22	Net Worth	126,063	117,708	102,499	126,063	102,499	109,369
23	Debt/Equity Ratio	1.11	1.12	1.16	1.11	1.16	1.17
24	Debt Service Coverage Ratio	2.88	3.20	1.91	3.04	1.92	2.16
25	Interest Service Coverage Ratio	4.37	5.07	3.98	4.70	3.90	4.08



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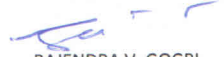
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Notes:-

1. Results for the quarter and half year ended 30th September 2016 are in compliance with the Indian Accounting Standards (Ind-AS) notified by the Ministry of Corporate Affairs. Consequently result for quarter and half year ended 30th September 2015 and previous year ended 31st March 2016 have been restated to comply with Ind-AS to make them comparable.
2. Pursuant to the SEBI Clarification issued on Dt. 20th September, 2016 Income from Operations have been grossed up. Accordingly the Income from Operations has been restated.
3. The above results for the quarter ended 30th September, 2016 have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on 11th November, 2016.
4. The Listed Non-Convertible Debenture of the Company aggregating to ₹ 20,000 Lakhs as on 30th September, 2016 are secured by way of first pari passu charge on the Movable Fixed Assets of the Company at its premises located at Vapi, Jhagadia, Silvassa, Tarapur and Pithampur and the assets cover thereof exceeds 100% of the principal amount of the said debentures.
5. The Company had issued 5 tranches of Non Convertible Debentures as STRPPS Series A to E. The previous due date for payment of interest for all series was 15/06/2016 and next due date for payment of interest is 15/06/2017. The interest amounts had been duly paid on due dates. The principal amount was not due for repayment in FY 2015-16 and is also not falling due for repayment in FY 2016-17.
6. Company retained its domestic credit ratings 'AA-' from India Ratings and also the enhanced rating of 'AA-' from CRISIL.
7. Formulae for computation of ratios are as follows:
Debt Service Coverage Ratio = Earnings before Interest and Tax/(Interest Expenses + Principal Repayment of Term loan during the period)
Interest Service Coverage Ratio = Earnings before Interest and Tax/Interest Expenses for the period)
Debt Equity Ratio = Total Debt/ Equity
8. Capital Redemption Reserve/Debenture Redemption Reserve as at 30th September, 2016 is ₹ 6,055 Lakhs.
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.aartigroup.com and will also be available on the website of BSE Limited www.bseindia.com and the National Stock Exchange of India Limited www.nseindia.com for the benefit of the shareholders and investors.

For AARTI INDUSTRIES LIMITED


RAJENDRA V. GOGRI
CHAIRMAN AND MANAGING DIRECTOR

Place: Mumbai
Date: 11th November, 2016



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

(₹ in Lakhs)

Particulars	Note No.	3 Months Ended	6 Months Ended	12 Months Ended
		30th Sept 2015 (Audited)	30th Sept 2015 (Audited)	31st Mar 2016 (Audited)
Net Profit as per previous GAAP		6,121	12,211	25,243
Other Comprehensive Income (Net of Tax)	3	(152)	(242)	(1,008)
Total Comprehensive Income		5,969	11,969	24,235

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

(₹ in Lakhs)

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

Notes:

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



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

(₹ in Lakhs)

Sr. No.	Particulars	3 Months Ended			6 Months Ended		12 Months Ended
		30th Sept 2016 (Audited)	30th Jun 2016 (Audited)	30th Sept 2015 (Audited)	30th Sept 2016 (Audited)	30th Sept 2015 (Audited)	31st Mar 2016 (Audited)
1	Segment Revenue						
	a) Speciality Chemicals	57,213	59,122	58,480	116,335	117,781	235,741
	b) Pharmaceuticals	10,145	10,179	9,458	20,324	19,751	42,576
	c) Home & Personal Care Chemicals	3,667	4,239	3,060	7,906	6,965	15,047
	Total	71,025	73,540	70,998	144,565	144,497	293,364
2	Segment Results Profit / (Loss) (Before Tax and Interest from each Segment)						
	a) Speciality Chemicals	12,923	13,302	11,336	26,225	23,171	46,909
	b) Pharmaceuticals	1,207	1,175	945	2,382	1,504	3,880
	c) Home & Personal Care Chemicals	(102)	12	72	(90)	178	(24)
	Total	14,028	14,489	12,353	28,517	24,853	50,765
	Less: Interest	2,898	2,698	2,965	5,596	5,994	11,590
	Other Unallocable Expenditure (Net)	1,680	1,669	1,395	3,349	2,878	6,050
	Total Profit before Tax	9,450	10,122	7,993	19,572	15,981	33,125
3	Segment Assets						
	a) Speciality Chemicals	219,245	205,573	180,709	219,245	180,709	195,589
	b) Pharmaceuticals	58,126	55,888	54,594	58,126	54,594	58,077
	c) Home & Personal Care Chemicals	12,500	11,545	11,353	12,500	11,353	11,026
	d) Unallocated Capital	52,034	47,836	51,609	52,034	51,609	47,098
	Total	341,905	320,842	298,265	341,905	298,265	311,790
	Segment Liabilities						
	a) Speciality Chemicals	34,579	33,034	33,440	34,579	33,440	33,081
	b) Pharmaceuticals	4,900	5,096	4,063	4,900	4,063	5,286
	c) Home & Personal Care Chemicals	1,721	2,098	2,372	1,721	2,372	2,141
	d) Unallocated Capital	44,766	42,416	43,789	44,766	43,789	40,191
	Total	85,966	82,644	83,664	85,966	83,664	80,699

For AARTI INDUSTRIES LIMITED


 RAJENDRA V. GOGRI
 CHAIRMAN AND MANAGING DIRECTOR

Place : Mumbai
 Date: 11th November, 2016



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Standalone Statement of Assets and Liabilities

(₹ In Lakhs)

Sr. No.	Particulars	As At 30th Sept 2016	As At 31st Mar 2016
A	ASSETS		
1	Non-Current Assets		
	(a) Property, Plant and Equipment	140,836	116,970
	(b) Capital work-in-progress	24,356	30,676
	(c) Other Intangible Assets	180	NIL
	(d) Financial Assets		
	(i) Investments	6,443	5,599
	(ii) Loans & Advances	2,627	2,742
	(e) Other Non-Current Assets	46,097	41,641
	Total Non-Current Assets	220,539	197,628
2	Current Assets		
	(a) Inventories	55,053	47,424
	(b) Financial Assets		
	(i) Trade Receivables	48,854	52,281
	(ii) Cash and Cash Equivalents	97	102
	(iii) Bank Balances other than (ii) above	4,771	2,314
	(iv) Loans & Advances	10,698	10,329
	(c) Other Current Assets	1,892	1,804
	Total Current Assets	121,365	114,254
	TOTAL ASSETS	341,904	311,882
B	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity Share Capital	4,166	4,166
	(b) Other Equity	121,897	105,203
	Total Equity	126,063	109,369
2	Liabilities		
	Non-Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	45,718	52,518
	(b) Provisions	32,120	28,246
	(c) Deferred Tax Liabilities (Net)	12,645	11,946
	(d) Other Non-Current Liabilities	18	18
	Total Non-Current Liabilities	90,501	92,728
	Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	84,139	69,186
	(ii) Trade Payables	26,155	29,892
	(b) Other Current Liabilities	13,161	8,949
	(c) Provisions	1,885	1,758
	Total Current Liabilities	125,340	109,785
	TOTAL EQUITY AND LIABILITIES	341,904	311,882

For AARTI INDUSTRIES LIMITED


RAJENDRA V. GOGRI

CHAIRMAN AND MANAGING DIRECTOR

Place : Mumbai
Date: 11th November, 2016



gokhale & sathe

(regd.)

chartered accountants

308/309, udyog mandir no. 1,
7-c, bhagoji keer marg,
mahim, mumbai 400 016.

Auditor's Report on Quarterly Financial Results and Year to Date Financial Results of AARTI INDUSTRIES LIMITED Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors of AARTI INDUSTRIES LIMITED,

We have audited the quarterly standalone financial results of **AARTI INDUSTRIES LIMITED** for the quarter ended September 30, 2016 and the year to date financial results for the period from April 1, 2016 to September 30, 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These standalone quarterly as well as year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim standalone financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting", prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.





In our opinion and to the best of our information and according to the explanations given to us these quarterly and year to date standalone financial results:

- (i) are presented in accordance with the requirements of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI circular dated 5th July 2016 and 10th August 2016 in this regard.
- (ii) give a true and fair view of the net profit and total comprehensive income and other financial information for the quarter ended September 30, 2016 as well as the year to date results for the period from April 1, 2016 to September 30, 2016.

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

CA TEJAS PARIKH
PARTNER
M. No. 123215
Mumbai
Date: November 11, 2016.

