

INVESTOR UPDATE

PERFORMANCE REVIEW: Q4FY13



AARTI INDUSTRIES LIMITED

RIGHT CHEMISTRY FOR BRIGHTER TOMMOROW

Presentation Path



AARTI INDUSTRIES LIMITED

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- **Leading manufacturer of Speciality Chemicals & Pharmaceuticals** with diversified end-uses in Pharmaceuticals, Agrochemicals, Polymer, Additives, Surfactants, Pigments, Dyes, etc.
- Promoters are **First Generation Technocrats** with sound entrepreneurial Skills.
- Manufacturing units of **Global Scale & Size** and are situated in the State of Gujarat, Maharashtra, Madhya Pradesh and U.T. of Silvassa.
- **Highly integrated Plants** with Cost-Efficient Manufacturing Process,.
- Pioneer to introduce **latest technology** and manufacturing processes in India with the help of **World Class R & D**
- Globally ranks at 1st - 5th Position for majority of its key products

Core Strengths



AARTI INDUSTRIES LIMITED

- ◆ Presence in high margin specialty chemicals with diverse applications
- ◆ Global Scale Units
- ◆ Manufacturing more than 125 products
- ◆ Ability to Supply Basket of products to Global Customers & MNCs
- ◆ Tagged as “Strategic Supplier” by various Global MNCs
- ◆ Backward Integration
- ◆ Latest Manufacturing Technology & World Class R&D
- ◆ Superior Cost Management Skills & Economies of Scale
- ◆ Capability to convert by-products into commercially viable product
- ◆ IPRs for Developing Customized Products & Products under Secrecy Agreements
- ◆ Captive Power Plants

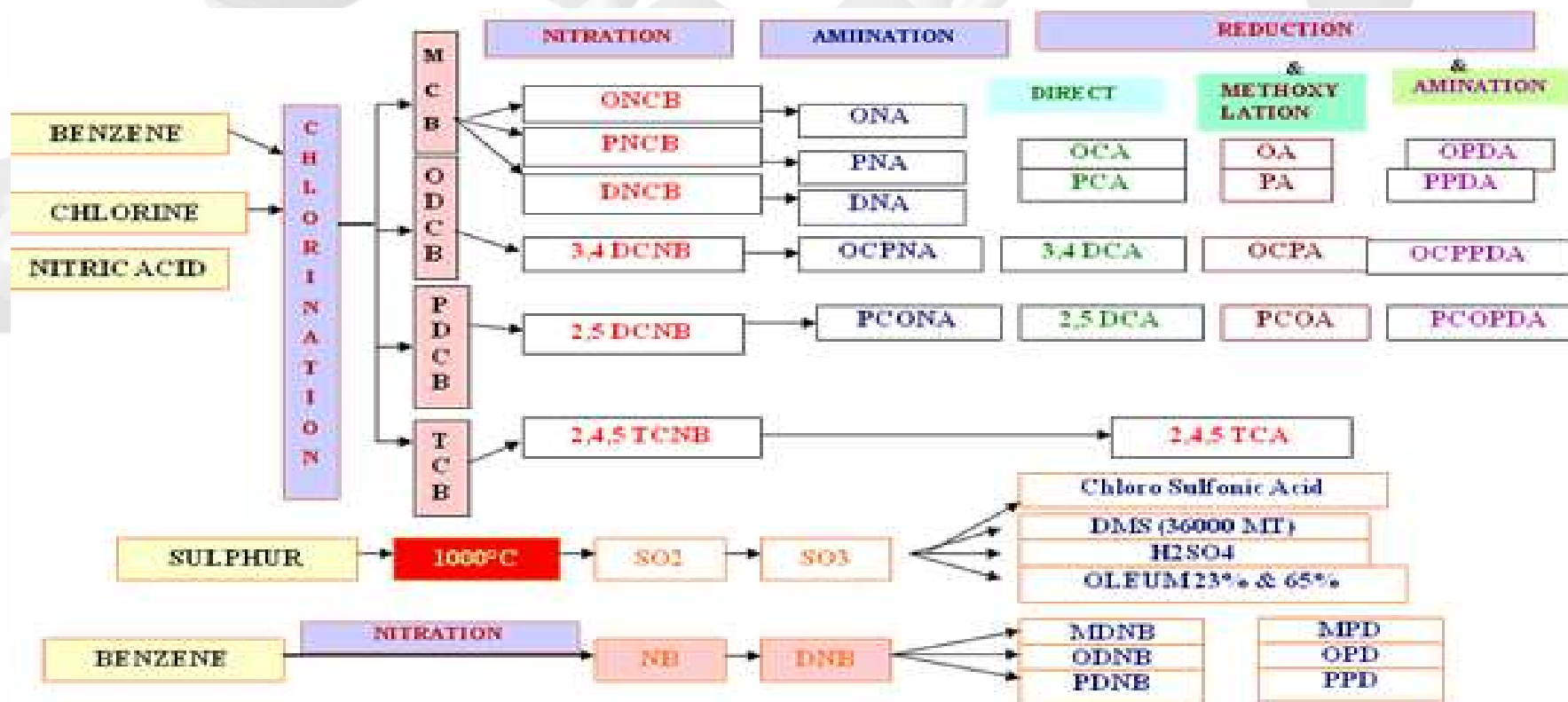
Product & Process Flexibility



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A significant portion of Aarti's Production capabilities are process driven and not based on a particular product. This gives Aarti the flexibility to change its input mix and manufacture different products, thereby resulting into optimum utilization of production capabilities

Brief Structure of Aarti Industries' Production Capabilities



Segmental overview



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Performance

- Polymer & additives
- Dyes, Pigments, Paints & Printing Inks
- Rubber chemicals, Resins, etc.

Home & Personal Care

- Non-ionic Surfactants
- Concentrates for shampoo, hand wash & dish wash

Agro-ingredients & Fertilizers

- Fertilizer
- Nutrients
- Agrochemicals & intermediates

Pharmaceuticals

- Active Pharmaceutical Ingredients (APIs)
- CRAMS

Q4 FY13 Segmental Performance (standalone)



AARTI INDUSTRIES LIMITED

In Rs. Lakh

Particulars	Performance	Agro	Pharma	H&PC	Total
Income	37,741	12,815	5,210	3,706	59,472
<i>% of Total Income</i>	<i>63.46%</i>	<i>21.55%</i>	<i>8.76%</i>	<i>6.23%</i>	<i>100%</i>
Export	20,262	7,080	2,685	713	30,739
<i>% of Sales</i>	<i>53.69%</i>	<i>55.24%</i>	<i>51.54%</i>	<i>19.24%</i>	<i>51.69%</i>
EBIT	5,586	2,708	407	186	8,887
<i>EBIT Margin</i>	<i>14.80%</i>	<i>21.13%</i>	<i>7.81%</i>	<i>5.02%</i>	<i>14.94%</i>

Condensed Statement of Operations

(standalone)



AARTI INDUSTRIES LIMITED

In Rs. Lakh

Particulars	Q4FY13	% of Total Income	Q4FY12	% of Total Income	Y-o-Y Growth (%)
Income from Operations	58,418	98.23%	45,623	97.74%	28.05%
Other Operating Income	1,054	1.77%	1,054	2.26%	0.00%
Total Income	59,472	100.00%	46,677	100.00%	27.41%
• Exports	30,739	51.69%	20,835	44.64%	47.54%
Operating Expenditure	52,366	88.05%	40,946	87.72%	27.89%
EBITDA	9,286	15.61%	7,147	15.31%	29.93%
Depreciation	2,180	3.67%	1,416	3.03%	53.95%
Other Income	241	0.41%	42	0.09%	473.81%
EBIT	7,347	12.35%	5,773	12.37%	27.26%
Finance Cost	2,642	4.44%	1,847	3.96%	43.04%
Profit Before Tax	4,705	7.91%	3,926	8.41%	19.84%
Tax Expenses	850	1.43%	1,102	2.36%	-22.87%
Profit After Tax	3,855	6.48%	2,824	6.05%	36.51%

Figures for the year ended 31st March, 2012 does not include figures of demerged activities merged with the Company w.e.f. 1st April, 2012.

FY13 Segmental Revenue (consolidated)



AARTI INDUSTRIES LIMITED

In Rs. Lakh

Segments	Annual FY11-12	% of Export to Total Income	Annual FY12-13	% of Export to Total Income
Performance Chemicals	96,798	57.85%	131,948	62.95%
Agri-Intermediates & Fertilisers	38,230	22.85%	43,818	20.90%
Pharmaceuticals	16,462	9.84%	18,684	8.91%
Home & Personal Care	15,841	9.47%	15,162	7.23%
Total Income	167,331	100.00%	209,612	100.00%

Financial Highlights

(consolidated)



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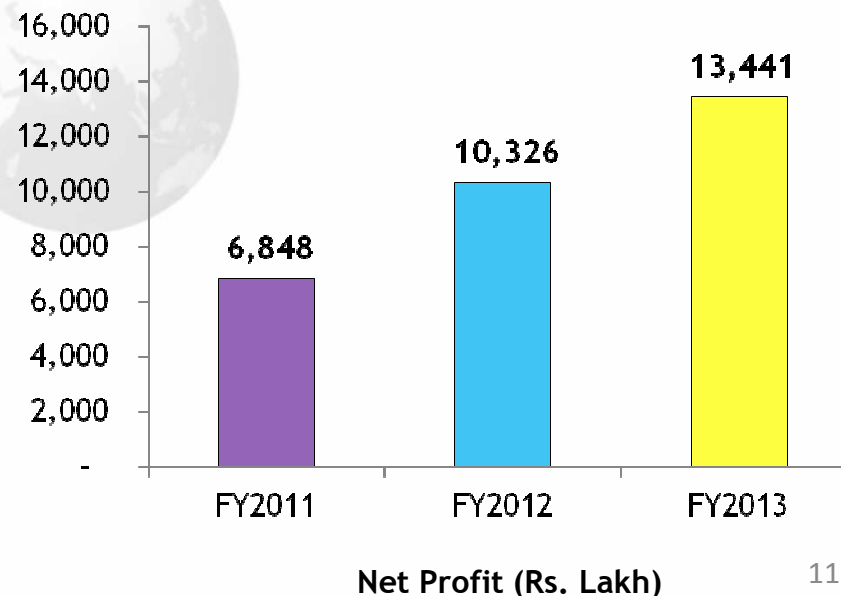
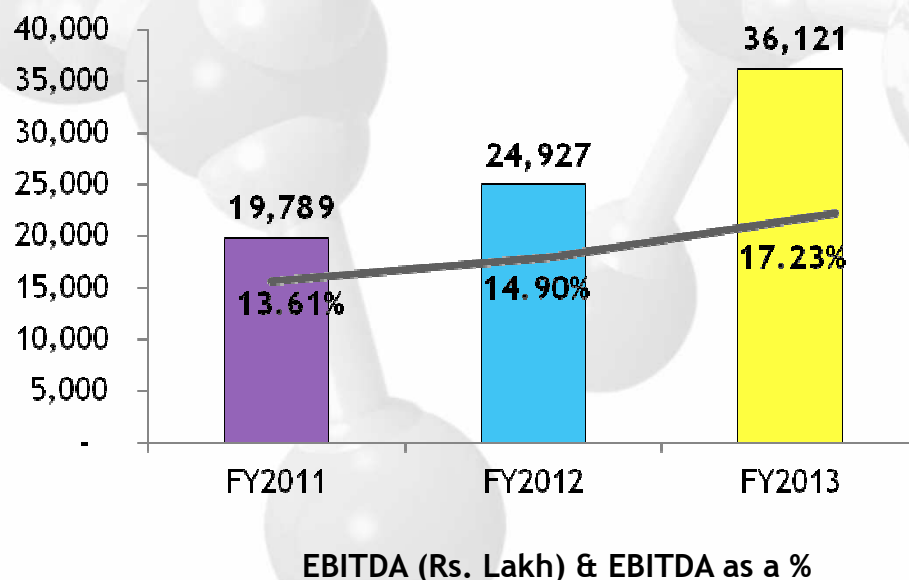
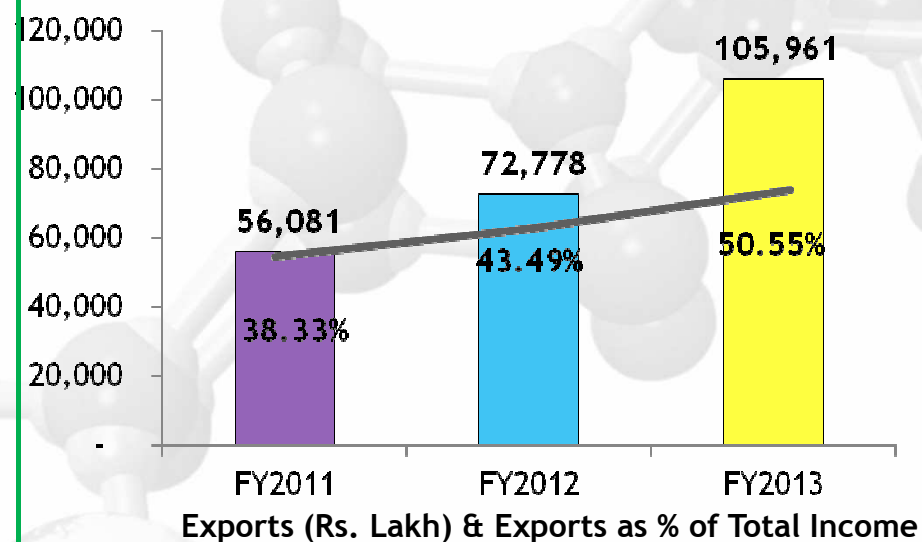
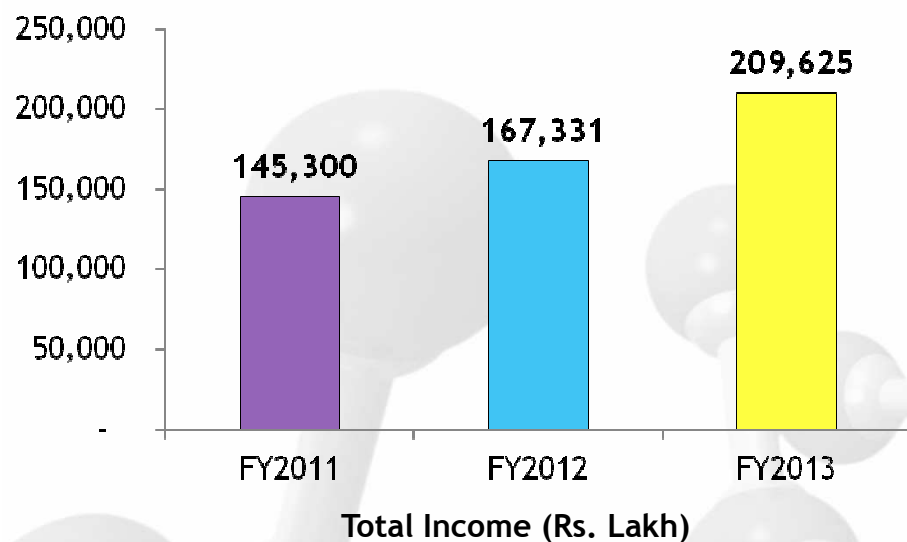
In Rs. Lakh

Particulars	Annual FY11-12	Annual FY12-13
Total Income	167,331	209,625
• Exports	72,778	105,961
<i>% of Total Inc.</i>	<i>43.49%</i>	<i>50.55%</i>
EBITDA	24,927	36,121
<i>EBITDA Margin</i>	<i>14.90%</i>	<i>17.23%</i>
EBIT	19,442	27,837
<i>EBIT Margin</i>	<i>11.62%</i>	<i>13.28%</i>
PAT	10,326	13,441
<i>PAT Margin</i>	<i>6.17%</i>	<i>6.41%</i>
EPS	13.45	15.17

Financial Highlights – Graphical Layout (consolidated)



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Key developments in Q4FY13



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- Aarti Industries Ltd gets approval from the Gujarat High Court and Bombay High Court for the scheme for arrangement for demerger of manufacturing business undertaking of Anushakti Chemicals and Drugs Ltd into itself
- The demerger scheme becomes effective from April 1, 2012
- The Board of Directors have recommended a total dividend of Rs 4 or 80% for the full financial year



Exports led Growth:
Growth in exports volume across various developed markets had been a key driver for increased operations.

Flexibility to maximize margins – Interchangeable Production facilities of Performance & Agro-chemicals helps optimise the product mix to fetch better margins.

Increase in pharmaceutical volumes have resulted into improvement in margins and profitability in this segment and the same is expected to improve further

Growth Drivers



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Thank You

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