



# 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-33/2016/1060**

**Date : 21<sup>st</sup> December, 2016.**

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,

**Ref: Regulation 30(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Pursuant to Regulation 30(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith recording of the Investor Meeting of Company with HDFC Mutual Fund held on 20<sup>th</sup> December, 2016.

Kindly take note of the same.

Thanking You,

Yours faithfully,

**FOR AARTI INDUSTRIES LIMITED**

**MONA PATEL**

**COMPANY SECRETARY & COMPLIANCE OFFICER**

Encl.: as above.



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## RECORDING OF INVESTOR MEETING

### HDFC MF – REPRESENTATIVE:-

SR. NO.	NAME	DESIGNATION
1.	Mr. Prashant Jain	Chief Investment Officer
2.	Mr. Chirag Dagli	Senior Equity Analyst

### COMPANY REPRESENTATIVE:-

SR. NO.	NAME	DESIGNATION
1.	Shri Rajendra V. Gogri	Chairman & Managing Director
2.	Shri Renil R. Gogri	Whole Time Director
3.	Shri Chetan Gandhi	Chief Financial Officer

Discussion revolved around clarification and questions with regards to presentation available on the Company Website at <http://aartigroup.com/Admin/Finance/Upload Docs/232 File Investor%200&%20Analyst%20Meet%20-%20September%2026,%202016.pdf>

No unpublished price sensitive information was discussed.

### SUMMARY OF DISCUSSION:-

**HDFC MF:** What are the rationales for growth of Indian Chemical Companies over last few years?

**AIL Team:** As mentioned at Slide no. 39 of the Investor Presentation available on Company Website, Indian Companies, in addition to catering to domestic demand growth would also benefit for various products as Import Substitutes & also increased global market share on account of below factors.

- 1) One of the major challenges in the Chemicals Business is the Compliance of Environmental Norms. Over a period of time, the regulating agencies have become more stringent in ensuring the compliance of the environmental norms:
  - a. In India, compliances were made stringent over past 3-4 years back.
  - b. In China, the tighter compliance has been imposed since last 1-2 yrs.

*Updated*



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These compliance requires additional investments into ETP setup, which translates into increased costs for the manufacturers along with general increase in labour and other costs in China. Hence India stands to gain on this macro perspective. This had resulted into reduction in capacity utilisation &/or increase in Cost in China.

- 2) Increased Competitiveness of Indian Rupee v/s Chinese Yuan over last few years had benefitted Indian Companies.
- 3) MNCs are de-risking their sourcing arrangement and want to add an Indian source, which is a major positive for Indian companies. This is being witnessed across Speciality Chemicals, Pharma intermediates.

**HDFC MF:** What are the plans for capacity growth of AIL/projects being undertaken by the company.

**AIL Team:** As mentioned at Slide no. 46 to 49 of the Investor Presentation available on Companies Website, Various Brownfield and Greenfield projects are underway which upon commissioning would reach about 80-90% utilization within 4-5 yrs. post commissioning. Some of the key projects undertaken are as below:-

1) **Nitro Chloro Benzene (NCB) Value Chain**

- Expanded NCB Capacity of 75,000 tpa from earlier 57,000 tpa, already commissioned in Nov 2015

2) **Chloro Benzene Value Chain**

- Commissioned New Calcium Chloride Unit at Jhagadia with capacity of 30000 tpa in Q1FY17.
- Expanding Chlorination Capacity from 110KTPA to 175KTPA. Expected to commission in FY18.

3) **PDA Value Chain:** PDA Expansion

- Only Manufacturer in India
- Expanded from 250 tpm to 1000 tpm.
  - 1st phase from 250 tpm to 450 tpm completed in Q1FY16.
  - 2nd Phase from 450 tpm to 1,000 tpm completed in Sept 2016.



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## 4) New Toluene Value Chain

- **Nitration Unit at Jhagadia (Nitro Toulene & Downstreams)**
  - New Capacity of 30000 tpa expected to be commissioned in H2FY17
- **Ethylation Facility at Dahej**
  - Commenced in Sept 2016
  - Capacity to manufacture about 8,000 – 10,000 tpa of Ethylene derivatives

## 5) Other Projects being considered:

New Projects over FY17 & FY18	Details
Jhagadia	Chlorination & Speciality Chemical Complex
Jhagadia, Kutch and Vapi	Co-generation Power Plant
Vapi	Acid Reconciliation Plant
Vapi & Tarapur	API and Pharma Intermediate (De-bottlenecking and expansions)

The Company expects an outlay of about Rs 400-450 crs in Plant & Machinery for FY 17 on the various projects being implemented by the company. These projects, in addition, to recently scaled up capacities, would help company post a volume & product mix driven bottom-line growth of about 18-20% CAGR over next 4 yrs., as already mentioned during the analyst meet held in Sept 2016 and also in various investor presentations/updates given by the company.

*Updated*