

December 27, 2023

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 Symbol : AARTIIND

Dear Sir/Madam,

**Ref.: Regulation 30(6) of the SEBI (LODR)
Regulations, 2015**
Sub.: Press Release

Please find enclosed herewith copy of press release issued by the Company dated December 27, 2023.

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.

Media Release

Aarti Industries Limited enters into a long-term supply contract with a Global Agrochem major for a niche agrochemical intermediate with a revenue potential of over Rs 3000 crores.

Mumbai, 27th December 2023: Aarti Industries Limited (AIL), a leading global speciality chemicals company, today announced that it has entered into a 9-year long-term supply contract for the supply of a niche agrochemical intermediate with a global agrochemical products and solutions company.

This agrochemical intermediate serves as a crucial input component for a widely used herbicide applied in diverse food and cash crops (such as corn, soybean, cotton, sugarcane, sunflower, etc). The global market for this herbicide is large and steadily growing.

The contract offers AIL a revenue potential of approximately over Rs 3,000 crores over a period of 9 years, with the contract supplies commencing from current fiscal year. This product (agrochemical intermediate) is an integral component of AIL's existing integrated product portfolio, with AIL being a leading manufacturer of this product in India. AIL's current CAPEX plans, across its existing manufacturing locations, are sufficient to meet this contract requirement and the company does not anticipate any additional CAPEX for this.

The global agrochemical market is valued at US\$ 74 billion and is growing at a CAGR of about mid to high single-digit. Over the past decade, the easternisation of sourcing of the agrochemicals and its intermediates had been increasing steadily. This can be attributed to better cost competencies, global scale and size of manufacturing capabilities, challenges posed by energy crisis in developed economies, amongst others. This trend has resulted in an increased outsourcing of intermediate manufacturing to cost-competitive regions such as China and India.

Frequent disruptions in plant operations in China, driven by Government policies, have expedited the trend of innovators diversifying their sourcing strategies. India has reaped the benefits and emerged as a net exporter of agrochemicals. The agrochemical market in India is expected to register about 9% CAGR to reach US\$ 7.4 billion between 2021 and 2026.

Commenting on this development, Mr. Rajendra Gogri – Chairman & Managing Director at Aarti Industries Limited said, *“This contract win is yet another step towards making our business more robust, resilient and predictable. Entering this contract in such a challenging macro environment is a testament to the efforts of our team and will go a long way in strengthening our integrated product value chain. We have established long-standing relationships with various customers across different end-user categories including the global industry leaders. And this contract underscores our commitment to transforming these relationships into additional future long-term opportunities.*

In addition to fortifying our association with this prominent customer, who is amongst the leading players for this end-use, this contract provides us an opportunity to grow in the high-value agrochemical space.”

Company Overview:

Aarti Industries Limited (AIL) is one of the most competitive benzene-based speciality chemical companies in the world. AIL is a rare instance of a global speciality chemicals company that combines process chemistry competence (recipe focus) with scale-up engineering competence (asset utilization). Over the last decade, AIL has transformed from an Indian company servicing global markets to what is fundamentally a global company selecting to manufacture out of India. The Company globally ranks at 1st – 4th position for 75% of its portfolio and is “Partner of Choice” for various Major Global & Domestic Customers.

AIL has a de-risked portfolio that is multi-product, multi-geography, multi-customer and multi-industry. AIL has 150+ products, 700+ domestic customers, 400+ export customers spread across the globe in 60 countries with major presence in the USA, Europe, Japan. AIL serves leading consumers across the globe of Speciality Chemicals and Intermediate for Agrochemicals, Pharmaceuticals, Polymers, Pigments, Printing Inks, Dyes, Fuel additives, Aromatics, Surfactants and various other speciality chemicals.

AIL is committed to Safety Health & Environment, equipped with Quality polices mapped to global benchmarks ensuring customer confidence and business sustainability. The Company has 10 Zero Discharge units and a strong focus on Reduce-Reuse-Recover across its 15 manufacturing sites.

AIL is a responsible corporate citizen engaged in community welfare through associated trusts (including Aarti Foundation and Dhanvallabh Charitable Trust) as well as focused NGOs engaged in diverse social causes.

Over the years, AIL has received multiple awards and recognitions for outstanding export performance, leadership in the chemical industry, efforts in conserving the environments as well as ensuring sustainable growth through path breaking innovations.
