AARTI SURFACTANTS LIMITED

(Formerly Known as : Arti Surfactants Ltd.)

February 02, 2022

To,
Listing/Compliance Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001.

BSE CODE : 543210

To,
Listing/Compliance Department
National Stock Exchange of India Limited
"Exchange Plaza", Plot no. C/1,
G Block, Bandra-Kurla Complex,
Bandra (East), Mumbai-400051.

NSE CODE : AARTISURF

Dear Sir/Madam,

Sub : Audited Standalone and Consolidated Financial Results for the Quarter and Nine months ended December 31, 2021.

We wish to inform you that Board of Directors at its meeting held on **Wednesday, February 02, 2022,** approved the Audited Standalone and Consolidated Financial Results for the Quarter and Nine months ended **December 31, 2021**.

Pursuant to Regulation 33 of the SEBI (LODR) Regulations, 2015 we enclose the following-

- Audited Standalone and Consolidated Financial Results for the Quarter and Nine months ended December 31, 2021.
- Auditor's Report on Standalone and Consolidated Financial Results for the Quarter and Nine months ended December 31, 2021.

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

Meeting of the Board of Directors commenced at 11:45 a.m. and concluded at 01:15 p.m.

Kindly take note of the same on your record.

Thanking You.

Yours faithfully,
FOR AARTI SURFACTANTS LIMITED

PRASHANT B. GAIKWAD
COMPANY SECRETARY
ICSI M.NO : A46480

AARTI SURFACTANTS LIMITED

AARTI SURFACTANTS LIMITED
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AUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31st DECEMBER 2021

(Rs. in Lakhs)

Sr. No.	Particulars	Standalone Result					
		3 Months Ended			9 Months Ended		Year Ended
		31st Dec 2021 (Audited)	30th Sept 2021 (Audited)	31st Dec 2020 (Audited)	31st Dec 2021 (Audited)	31st Dec 2020 (Audited)	31st Mar 2021 (Audited)
1	**INCOME**						
	a)Revenue from Operations (Net)	13,514.96	13,981.52	10,666.46	42,411.49	33,960.68	46,577.03
	b)Other Income	1.47	-	1.41	4.84	4.70	5.90
	Total Income	**13,516.43**	**13,981.52**	**10,667.87**	**42,416.33**	**33,965.38**	**46,582.93**
2	**EXPENSES**						
	a)Cost of Materials Consumed	9,410.16	11,635.61	9,092.34	33,820.26	26,711.05	35,615.36
	b)Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade	1,205.43	(940.51)	(1,535.05)	(745.78)	(1,043.50)	(477.20)
	c)Employee Benefits Expense	437.17	481.53	405.91	1,365.31	1,116.80	1,570.18
	d)Finance Costs	306.32	281.99	277.74	841.53	878.44	1,044.04
	e)Depreciation and Amortisation Expenses	351.11	347.78	316.22	1,040.99	882.51	1,221.07
	f)Other Expenses	1,586.74	2,046.76	1,544.30	5,175.52	3,813.01	5,317.41
	Total Expenses	**13,296.93**	**13,853.16**	**10,101.46**	**41,497.83**	**32,358.31**	**44,290.85**
3	**Profit/(Loss) before Exceptional Items and Tax (1-2)**	**219.50**	**128.36**	**566.41**	**918.50**	**1,607.07**	**2,292.08**
4	Exceptional Items	-	-	-	-	-	-
5	**Profit/(Loss) before Tax (3-4)**	**219.50**	**128.36**	**566.41**	**918.50**	**1,607.07**	**2,292.08**
6	**TAX EXPENSES**						
	a)Current Year Tax	29.00	12.10	-	151.61	25.00	50.00
	b)MAT Credit Utilised/(Entitlement)	-	-	-	-	-	-
	c)Deferred Tax	413.24	32.87	88.28	454.38	(11.72)	77.95
	Total Tax Expenses	**442.24**	**44.97**	**88.28**	**605.99**	**13.28**	**127.95**
7	**Net Profit/(Loss) from Ordinary Activities after Tax (5-6)**	**(222.74)**	**83.39**	**478.13**	**312.51**	**1,593.79**	**2,164.13**
8	**Net Profit/(loss) for the period (7-8)**	**(222.74)**	**83.39**	**478.13**	**312.51**	**1,593.79**	**2,164.13**
9	**Profit/(loss) for the period attributable to**						
	a)Owners of the Company	(222.74)	83.39	478.13	312.51	1,593.79	2,164.13
	b)Non Controlling Interest						
10	**Other Comprehensive Income**	-	-	-	-	-	6.61
11	**Total Comprehensive Income for the period (Comprising Profit/(Loss) and Other Comprehensive Income for the period) (10+11)**	**(222.74)**	**83.39**	**478.13**	**312.51**	**1,593.79**	**2,170.74**
12	**Earnings per Equity share:**						
	(1) Basic/Diluted	(2.94)	1.10	6.30	4.12	21.01	28.53
13	**Paid-up Equity Share Capital (Face Value of Rs. 10/-each)**	758.45	758.45	758.45	758.45	758.45	758.45
14	**Reserve excluding Revaluation Reserves as per Balance Sheet of previous Accounting Year**						12,507.75
15	**Net Worth**						13,266.20

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AUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31st DECEMBER 2021

(Rs. in Lakhs)

Sr. No.	Particulars	Consolidated Result					
		3 Months Ended			9 Months Ended		Year Ended
		31st Dec 2021 (Audited)	30th Sept 2021 (Audited)	31st Dec 2020 (Audited)	31st Dec 2021 (Audited)	31st Dec 2020 (Audited)	31st Mar 2021 (Audited)
1	**INCOME**						
	a)Revenue from Operations (Net)	13,514.96	13,981.52	33,960.68	42,411.49	33,960.68	46,577.03
	b)Other Income	1.47	-	4.70	4.84	4.70	5.90
	Total Income	**13,516.43**	**13,981.52**	**33,965.38**	**42,416.33**	**33,965.38**	**46,582.93**
2	**EXPENSES**						
	a)Cost of Materials Consumed	9,410.16	11,635.61	26,711.05	33,820.26	26,711.05	35,615.36
	b)Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade	1,205.43	(940.51)	(1,043.50)	(745.78)	(1,043.50)	(477.20)
	c)Employee Benefits Expense	437.17	481.53	1,116.80	1,365.31	1,116.80	1,570.18
	d)Finance Costs	306.24	282.07	878.44	841.53	878.44	1,044.04
	e)Depreciation and Amortisation Expenses	351.11	347.78	882.51	1,040.99	882.51	1,221.07
	f)Other Expenses	1,586.91	2,046.72	3,813.01	5,175.75	3,813.01	5,318.09
	Total Expenses	**13,297.02**	**13,853.20**	**32,358.31**	**41,498.06**	**32,358.31**	**44,291.53**
3	**Profit/(Loss) before Exceptional Items and Tax (1-2)**	**219.41**	**128.32**	**1,607.07**	**918.27**	**1,607.07**	**2,291.40**
4	Exceptional Items	-	-	-	-	-	-
5	**Profit/(Loss) before Tax (3-4)**	**219.41**	**128.32**	**1,607.07**	**918.27**	**1,607.07**	**2,291.40**
6	**TAX EXPENSES**						
	a)Current Year Tax	29.00	12.10	25.00	151.61	25.00	50.00
	b)MAT Credit Utilised/(Entitlement)	-	-	-	-	-	-
	c)Deferred Tax	413.24	32.87	(11.72)	454.38	(11.72)	77.95
	Total Tax Expenses	**442.24**	**44.97**	**13.28**	**605.99**	**13.28**	**127.95**
7	**Net Profit/(Loss) from Ordinary Activities after Tax (5-6)**	**(222.83)**	**83.35**	**1,593.79**	**312.28**	**1,593.79**	**2,163.45**
8	**Net Profit/(loss) for the period (7-8)**	**(222.83)**	**83.35**	**1,593.79**	**312.28**	**1,593.79**	**2,163.45**
9	**Profit/(loss) for the period attributable to**						
	a)Owners of the Company	(222.83)	83.35	1,593.79	312.28	1,593.79	2,163.45
	b)Non Controlling Interest						
10	**Other Comprehensive Income**	-	-	-	-	-	6.61
11	**Total Comprehensive Income for the period (Comprising Profit/(Loss) and Other Comprehensive Income for the period) (10+11)**	**(222.83)**	**83.35**	**1,593.79**	**312.28**	**1,593.79**	**2,170.06**
12	**Earnings per Equity share:**						
	(1) Basic/Diluted	(2.94)	1.10	21.01	4.12	21.01	28.52
13	**Paid-up Equity Share Capital (Face Value of Rs. 10/-each**	758.45	758.45	758.45	758.45	758.45	758.45
14	**Reserve excluding Revaluation Reserves as per Balance Sheet of previous Accounting Year**						12,506.57
15	**Net Worth**						13,265.02

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Notes:-

1. The above results for the quarter and nine months ended 31st December, 2021 have been reviewed by the Audit Committee in their meeting and approved by the Board of Directors in their meeting held on 2nd February , 2022.
2. The aforesaid Financial Results will be uploaded on the Company's website www.aarti-surfactants.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.
3. The Margins in Q3 results are subdued because of Inflation in Key Raw Materials prices, Coal, Fuel and Freight charges.
4. Deferred Tax Liability for the quarter and nine month ended 31st December, 2021 includes Rs. 369.32 Lakhs pertaining to reversal of Deferred Tax Asset on account of unabsorbed Income Tax losses of past years.
5. The Company deals in only one operating segment which is based on the nature of the product and thus the reporting segment is only one segment i.e. Home and personal care ingredients.
6. Figures for the previous period have been regrouped or rearranged wherever necessary.

For AARTI SURFACTANTS LIMITED

Nikhil

Place: Mumbai

Date: 2nd February, 2022

NIKHIL DESAI

MANAGING DIRECTOR

DIN: 01660649

gokhale & sathe
(regd.)
chartered accountants
304/308/309, udyog mandir no 1,
7-c, bhagoji keer marg,
mahim, mumbai 400 016.

Independent Auditors' Report

To Board of Directors of Aarti Surfactants Limited

Report on Audit of Standalone Audited Financial Results

Opinion

We have audited the accompanying standalone financial results of Aarti Surfactants Limited ("the Company") for the quarter ended 31st December 2021 and year to date results for the period from 1st April 2021 to 31st December 2021 ("the financial results) attached herewith being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

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

1. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

2. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the quarter ended 31st December 2021 as well as the year-to-date results for the period from 1st April 2021 to 31st December 2021.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

GOKHALE & SATHE MUMBAI CHARTERED ACCOUNTANTS

Management's Responsibilities for the Standalone Financial Results

These quarterly and year-to-date standalone financial results have been prepared on the basis of the interim financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, the management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management and the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those

risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management and the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

TEJAS PARIKH
PARTNER
Membership No. 123215
UDIN: - 22123215AAAAAZ9257
Place: Mumbai
Date: 2nd February 2022

gokhale & sathe
(regd.)
chartered accountants
304/308/309, udyog mandir no 1,
7-c, bhagoji keer marg,
mahim, mumbai 400 016.

Independent Auditors' Report

To Board of Directors of Aarti Surfactants Limited

Report on Audit of Consolidated Audited Financial Results

Opinion

We have audited the accompanying consolidated financial results of Aarti Surfactants Limited ("the Holding Company") and its one wholly owned subsidiary company (the Holding Company and its one subsidiary together referred as "the Group") for the quarter ended 31st December 2021 and year to date results for the period from 1st April 2021 to 31st December 2021 ("the financial results) attached herewith being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

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

1. includes the results of the following wholly owned subsidiary:
   Aarti HPC Limited

2. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

3. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the quarter ended 31st December 2021 and year to date results for the period from 1st April 2021 to 31st December 2021.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

tel.: (022) 43484242 | office@gokhalesathe.in

Management's Responsibilities for the Consolidated Financial Results

These quarterly and year-to-date consolidated financial results have been prepared on the basis of the interim financial statements. The Holding Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial results, the respective management and the Board of Directors included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective management and the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the Company's financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive

GOKHALE & SATHE MUMBAI CHARTERED ACCOUNTANTS

to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management and the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

TEJAS PARIKH
PARTNER
Membership No. 123215
UDIN: - 22123215AAAAAY2625
Mumbai
Date: 2nd February 2022