

THIS IS A PUBLIC ANNOUNCEMENT IN COMPLIANCE WITH ONLY AND DOES NOT CONSTITUTE AN INVITATION OR OFFER TO ACQUIRE, PURCHASE OR SUBSCRIBE TO SECURITIES NOR IS IT A PROSPECTUS ANNOUNCEMENT



AARTI SURFACTANTS LIMITED

Registered Office: 801, 801/23, GIDC Estate, Phase III Vapi Valsad, Gujarat 396195, India
Corporate Office: Unit 202, Plot 71, Udyog Kshetra, 2nd Floor, Mulund Goregaon Link Road, Mulund (West), Mumbai-400080, Maharashtra, India
Tel. No.: +91 22 67976666/ 6585; Email: investors@aarti-surfactants.com; Website: www.aarti-surfactants.com; CIN: L24100GJ2018PLC102891

PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE SHAREHOLDERS OF AARTI SURFACTANTS LIMITED

STATUTORY ADVERTISEMENT ("ADVERTISEMENT") ISSUED IN COMPLIANCE WITH THE CLAUSE III(A)(5) OF ANNEXURE I OF THE CIRCULAR BEARING NO. CFD/DIL3/CIR/2017/21 DATED MARCH 10, 2017 AS AMENDED, ISSUED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") IN RELATION TO THE RELAXATION UNDER SUB-RULE (7) OF RULE 19 OF THE SECURITIES CONTRACT (REGULATION) RULES, 1957 AS AMENDED ("SCRR"), PURSUANT TO THE COMPOSITE SCHEME OF ARRANGEMENT BETWEEN AARTI INDUSTRIES LIMITED AND AARTI SURFACTANTS LIMITED AND NASCENT CHEMICAL INDUSTRIES LIMITED AND THEIR RESPECTIVE SHAREHOLDERS UNDER THE PROVISIONS OF SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER, SANCTIONED BY THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL BENCH AT AHMEDABAD ("TRIBUNAL") VIDE ITS ORDER DATED JUNE 20, 2019 ("SCHEME") FOR LISTING OF 10,82,387 REDEEMABLE PREFERENCE SHARES OF RUPEES 10/- EACH ("PREFERENCE") AND THE GRANT OF PERMISSION BY SEBI FOR THE RELAXATION OF THE STIPULATIONS UNDER RULE 19(2)(B) OF THE SCRR.

The Board of Directors of the Company at its Meeting held on August 20, 2019 have allotted 10,82,387 Redeemable Preference Shares ("RPS") to the members of the Aarti Industries Limited, who opted to subscribe the Redeemable Preference Shares, as on the Record Date of July 4, 2019, as per the ratio prescribed in the Scheme.

The Company has made an application for listing of Redeemable Preference Shares to BSE Limited and National Stock Exchange Limited on January 20, 2020 and September 12, 2019 respectively.

The Company has received in-principle approval for listing of Redeemable Preference Shares from BSE Limited and National Stock Exchange Limited on April 6, 2022 and August 30, 2022 respectively.

In compliance of the clause III(A)(5) of Annexure I of the SEBI Circular CFD/DIL3/ CIR/2017/21 dated March 10, 2017 and as amended from time to time, we hereby provide the following details:

- (a) **Name:** Aarti Surfactants Limited
(b) **Registered Office:** 801, 801/23, GIDC Estate, Phase III, Vapi Valsad, Gujarat 396195, India

Corporate Office: Unit 202, Plot 71, Udyog Kshetra, 2nd Floor, Mulund Goregaon Link Road, Mulund (West), Mumbai-400080, Maharashtra, India

- (c) **Details of change of name and/ or object clause:** The name of the Company was changed from Arti Surfactants Limited to Aarti Surfactants Limited and a fresh Certificate of Incorporation consequent upon change of name was issued on July 8, 2019. There was no change in the object clause of the Company since incorporation.

- (d) **Capital Structure:** Pre and Post Scheme:

(i) Pre Scheme:

Particulars	Amount (in ₹)
Authorized Share Capital	
50,000 Equity shares of ₹10/- each	5,00,000
Issued, Subscribed and Paid up Share Capital	
50,000 Equity shares of ₹10/- each	5,00,000

(ii) Post Scheme:

Particulars	Amount (in ₹)
Authorized Share Capital	
3,18,70,000 equity shares of ₹10/- each	31,87,00,000
81,30,000 Redeemable Preference Shares of ₹10/- each	8,13,00,000
Total	40,00,00,000
Issued, Subscribed and Paid up Share Capital	
75,84,477 Equity Shares of ₹10/- each	7,58,44,770
10,82,387 Redeemable Preference Shares of ₹10/- each	1,08,23,870
Total	8,66,68,640

Notes:

- a) Pursuant to Ordinary Resolution passed by Shareholders at the Annual General Meeting of the Company held on October 21, 2019, there was increase in the Authorized Share Capital of the Company to ₹ 40,00,00,000/- (Rupees Forty Crore only) consisting of 3,18,70,000 (Three Crore Eighteen Lakh Seventy Thousand) equity shares of ₹ 10/- (Rupees Ten only) each and 81,30,000 (Eighty-One Lakh Thirty Thousand) Redeemable Preference Shares of ₹ 10/- (Rupees Ten Only) each.
- b) Pursuant to the Scheme, the pre-scheme paid-up share capital stands reduced, cancelled and extinguished and the Company has allotted 75,84,477 Equity shares of ₹ 10/- each and 10,82,387 Redeemable Preference Shares of ₹ 10/- each to the Equity shareholder of the Aarti Industries Limited.

- (e) **Shareholding pattern giving details of its promoter group shareholding, group companies - pre and post scheme:**

(i) Shareholding Pattern of Equity Shares:

Particulars	Pre Scheme		Post Scheme (as on June 30, 2022)	
	No. of equity shares	% of equity shares	No. of equity shares	% of equity shares
Promoter and Promoter Group	50,000	100.00	34,16,095	45.04
Public Shareholding	0	0.00	41,68,382	54.96
Total	50,000	100.00	75,84,477	100.00

(ii) Shareholding Pattern of Redeemable Preference Shares:

Particulars	Pre Scheme		Post Scheme (as on June 30, 2022)	
	No. of RPS	% of RPS	No. of RPS	% of RPS
Promoter and Promoter Group	NA	NA	8,99,111	83.07
Public Shareholding	NA	NA	1,83,276	16.93
Total	NA	NA	10,82,387	100.00

(iii) Shareholding Pattern of Promoter and Promoter Group:

Pre Scheme:

Sr. No.	Name of the Promoter and Promoter Group	No. of equity shares	% of equity shares	No. of Redeemable Preference Shares	% of RPS
	Promoter				
1	Aarti Industries Limited	50,000	100.00	0	0.00
	Promoter Group				
	--	--	--	--	--
	Total	50,000	100.00	0	0.00

Post Scheme: (as on June 30, 2022)

Sr. No.	Name of the Promoter and Promoter Group	No. of equity shares	% of equity shares	No. of Redeemable Preference Shares	% of RPS
	Promoter				
1	Parimal Hasmukhlal Desai	1,06,646	1.41	30,930	2.86
2	Chandrakant Vallabhaji Gogri	302	0.00	0	0.00
	Promoter Group				
1	Jaya Chandrakant Gogri	11,36,216	14.98	0	0.00
2	Rashesh Chandrakant Gogri	3,83,438	5.06	0	0.00
3	Hetal Gogri Gala	2,61,553	3.45	0	0.00

Sr. No.	Name of the Promoter and Promoter Group	No. of equity shares	% of equity shares	No. of Redeemable Preference Shares	% of RPS
4	Tarla Parimal Desai	1,00,000	1.32	11,276	1.04
5	Nikhil Parimal Desai	80,333	1.06	78,101	7.22
6	Manisha Rashesh Gogri	55,000	0.73	0	0.00
7	Aarnav Rashesh Gogri	54,999	0.73	0	0.00
8	Aashay Rashesh Gogri	54,999	0.73	0	0.00
9	Indira Madan Dedhia	21,872	0.29	0	0.00
10	Bhavna Shah Lalka	0	0.00	51,394	4.75
11	Dilip Tejshi Dedhia	0	0.00	355	0.03
12	Gunavanti Navin Shah	0	0.00	8,664	0.80
13	Heena Bhatia	0	0.00	31,533	2.91
14	Nehal Garewal	0	0.00	1,16,613	10.77
15	Prasadi Yogesh Banatwala	0	0.00	594	0.05
16	Ratanben Premji Gogri	0	0.00	37,799	3.49
17	Sarla Shantilal Shah	0	0.00	1,92,588	17.79
18	Shantilal Tejshi Shah (HUF)	0	0.00	36,914	3.41
19	Saswat Trusteeship Private Limited	2,50,000	3.30	0	0.00
20	Nikhil Holdings Private Limited	5,53,874	7.30	27,827	2.57
21	Anushakti Enterprise Private Limited	2,49,250	3.29	0	0.00
22	Alchemie Financial Services Limited	67,300	0.89	0	0.00
23	Gogri Finserv Private Limited	26,410	0.35	0	0.00
24	Dilesh Roadlines Private Limited	831	0.01	0	0.00
25	Heena Family Private Trust	0	0.00	83,385	7.70
26	Valiant Organics Limited	0	0.00	20,240	1.87
27	Bhanu Pradip Savla	13,072	0.17	0	0.00
28	Late Shantilal Tejshi Shah	0	0.00	1,70,898	15.79

(iv) **Details of Group Company:** The Company has one group company namely Aarti HPC Limited, a wholly owned subsidiary company. Aarti HPC Limited was incorporated on December 26, 2019. The Authorized Share Capital of the Company is ₹ 10,00,000 divided into 1,00,000 Equity Shares of ₹ 10 each and Paid-up Share Capital of the Company is ₹ 50,000 divided into 5,000 Equity Shares of ₹ 10 each.

(f) Details of ten largest Shareholders as on June 30, 2022:

Equity Shareholders:

Sr. No.	Name of Equity Shareholder	No. of Equity Shares	%
1	Jaya Chandrakant Gogri	11,36,216	14.98
2	Nikhil Holdings Private Limited	5,53,874	7.30
3	Rashesh Chandrakant Gogri	3,83,438	5.06
4	Hetal Gogri Gala	2,61,553	3.45
5	Saswat Trusteeship Private Limited	2,50,000	3.30
6	Anushakti Enterprise Private Limited	2,49,250	3.29
7	Padmika Projects LLP	2,46,037	3.24
8	Dhiren Kishore Shah	1,21,075	1.60
9	Parimal Hasmukhlal Desai	1,06,646	1.41
10	Mulraj Chandulal Gala	1,01,756	1.34

Redeemable Preference Shareholders:

Sr. No.	Name of RPS Holder	No. of RPS	%
1	Sarla Shantilal Shah	1,92,588	17.79
2	Late Shantilal Tejshi Shah	1,70,898	15.79
3	Nehal Garewal	1,16,613	10.77
4	Heena Family Private Trust	83,385	7.70
5	Nikhil Parimal Desai	78,101	7.22
6	Bhanumati Mohanlal Savla	60,789	5.62
7	Bhavna Shah Lalka	51,394	4.75
8	Ratanben Premji Gogri	37,799	3.49
9	Shantilal Tejshi Shah HUF	36,914	3.41
10	Heena Bhatia	31,533	2.91

- (g) **Details of Promoter:** Shri Chandrakant V. Gogri and Shri Parimal H. Desai are Promoters of the Company. Brief details of the Promoters are set forth below:

- Chandrakant Vallabhaji Gogri**
Address: 1801 Richmond Towers, Cliff Avenue, Near Hiranandani School, Hiranandani Gardens, Powai IIT, Powai Mumbai - 400076.
Education, Qualification and Experience: He is a Chemical Engineer from UDCT, Mumbai. He is the founder of Aarti Group. A varied experience encompassing Projects, Operations, Process Development and Local & International Marketing, in the Chemical Industry. He had been awarded the prestigious "DISTINGUISHED ALUMNUS AWARD" from UDCT (ICT) in the year 1995 for excellent performance as Entrepreneurs in Chemical Industry.
- Parimal Hasmukhlal Desai**
Address: A-1403, Runwal Heights, L.B.S. Road, Opp. Nirmal Lifestyle, Mulund West, Mumbai 400080
Education, Qualification and Experience: He holds a bachelor's degree in Chemical Engineering from UDCT, Mumbai. He has more than 38 years of experience in development and project implementation in the chemical industry.

(h) Details of Board of Director of the Company:

Name	DIN	Designation	Age	Experience	Positions held in other Firms / Companies
Mr. Mulesh Manilal Savla	07474847	Chairman & Independent Director	57	He has vast experience of more than 30 years in Taxation, Accounts and Finance, structuring, restructuring of entities	Directorship <ul style="list-style-type: none"> Valiant Organics Limited Partners <ul style="list-style-type: none"> Shah and Savla LLP MM Savla Financial Services
Mr. Nikhil Parimal Desai	01660649	Managing Director	44	15 years of experience in the field of Project Management, Information Technology, Vendor Management, Process Improvement, Business Management & Strategy.	Directorship <ul style="list-style-type: none"> Aarti HPC Limited Nikhil Holdings Private Limited Sulochna and Nandini Welfare Foundation Partners <ul style="list-style-type: none"> Dezav Creation Studio LLP Pashima Enterprises LLP

Name	DIN	Designation	Age	Experience	Positions held in other Firms / Companies
Mr. Chandrakant Vallabhaji Gogri	00005048	Non – Executive Director	76	Expert in areas of encompassing Projects, Operations, Process Development, Local & International Marketing in the Chemical Industry.	Directorship <ul style="list-style-type: none"> Alchemie Financial Services Limited Anushakti Enterprise Private Limited Crystal Millennium Realtors Limited Saswat Trusteeship Private Limited Aarti Nature Care Private Limited KJF Shelters Foundation KJF Manavta-Ni-Mahek Foundation Parakh Hospitals Private Limited Partners <ul style="list-style-type: none"> Gogri Enterprises LLP Alchemie Industries Genesis Unichem LLP Dhanvallah Ventures LLP Akansha Unichem LLP Gogri Ventures LLP Aakansha Pharmachem LLP Aashay Ventures LLP Dhaval Realtors (India) LLP Aar Em ventures LLP Malhar Realtors Crystal Millennium Associates Highscale Ventures LLP Shyam Gopal Developers Sumukh Developers Vinayak Reltors
Mr. Dattatray Sidram Galpalli	01853463	Non – Executive Director	62	Rich Experience of working since last 40 years' in various Chemical Industries producing speciality chemicals & intermediates for Agrochemicals, Pharmaceuticals, pigments and dyes.	Nil
Ms. Misha Bharat Gala	08523865	Independent Director	32	A young and dynamic Board Member - by qualification Chartered Accountant, brings Industry trends perspective and forms requisite diversity in the Board.	Nil
Mr. Santosh Madhavrao Kakade	08505234	Executive Director	51	25 years of rich experience in the field of Plant Operations, Process development, SCM and General Management.	Directorship <ul style="list-style-type: none"> Aarti HPC Limited

- (i) **Business Overview and Strategy:** The Company was incorporated as Aarti Surfactants Limited on June 18, 2018 under the Companies Act, 2013 vide CIN: L24100GJ2018PLC102891, as a Wholly Owned Subsidiary of Aarti Industries Limited and having its Registered Office at 801, 801/23, GIDC Estate, Phase III Vapi Valsad, Gujarat 396195, India. The name was changed to Aarti Surfactants Limited and a fresh Certificate of Incorporation consequent upon change of name was issued on July 8, 2019 by the Registrar of Companies, Ahmedabad, Gujarat.

Aarti Surfactants Limited is a producer of ionic and non-ionic and specialty surfactants. The Company primarily caters to the Home and Personal Care (HPC) industry with a wide range of innovative and high-quality products. (Non-ionic surfactants are those that can be used with high salinity or hard water, and are compatible with other types, and are excellent candidates for complex mixtures with low toxicity levels). The Company produces customized and eco-friendly surfactants, processed with high-quality materials which find application in varied industries, including home care, personal care, hair care, and others.

- (j) **Reason for the Scheme:** The scheme entails rationale of the demerger as under:

- Aarti Industries Limited basically has 3 (three) business verticals (i.e. specialty chemicals, pharmaceuticals and home and personal care chemicals) with divergent business profile, growth potential, risk-rewards, regulatory and capital requirements and are largely independent of each other. The home and personal care chemicals business, which constitutes of the Home and Personal Care Undertaking, is currently not ROE (return on equity) accretive. Therefore, in order to create overall value for the shareholders, the management has decided to restructure the home and personal care chemicals business by transferring the Home and Personal Care Undertaking into Aarti Surfactants Limited. The shareholders of Aarti Industries Limited, pursuant to the demerger, will be provided with an option to subscribe either to the equity shares or Redeemable Preference Shares (as defined hereinafter) of the Company.*

- The demerger will also result in Aarti Industries Limited and the Company achieving operational efficiencies by streamlining of the relevant businesses.
 - The demerger of the Home and Personal Care Undertaking from the Aarti Industries Limited would allow the management of the Company to focus and adopt relevant strategies necessary for the turning around, and promoting growth and expansion of the Home and Personal Care Undertaking; and
 - By demerger of the Home and Personal Care Undertaking into the Company, the financial resources will be conveniently raised in accordance with the requirement of the business, leading to optimum utilization of resources towards expansion and growth of the business of the Company.
- (k) **Financial statements for the previous three years prior to the date of listing:** The Financial Statements of the Company for last 3 years is published on the website of the Company www.aarti-surfactants.com and available on the link viz., <https://www.aarti-surfactants.com/annual-report.htm>

The abridged Consolidated balance sheet and statement of profit & loss for last 3 years is given below:

Abridged Balance Sheet:

Particulars	FY 2019-20	FY 2020-21	FY 2021-22
Assets			
1. Non-Current Assets			
(a) Property, Plant and Equipment	15,013.97	18,590.40	17,222.30
(b) Intangible Assets	121.44	84.08	46.71
(c) Capital Work-in-Progress	1,395.26	1,974.45	5,205.56
(d) Financial Assets			
Other Investments	0.03	0.03	0.03
Other Financial Assets	-	203.11	239.96
(e) Other Non-Current Assets	262.39	261.59	27.79
Total Non-Current Assets	16,793.06	21,113.66	22,742.35
2. Current Assets			
(a) Inventories	5,648.84	7,318.98	7,482.44
(b) Financial Assets			
(i) Trade Receivables	1,791.99	5,443.20	5,446.70
(ii) Cash and Cash Equivalents	10.48	673.24	142.91
(iii) Loans	-	34.04	19.59
(iv) Other Financial Assets	36.45	360.89	1,474.10
(c) Other Current Assets	1,948.12	3,708.41	2,815.84
(d) Current Assets (Net)	-	-	118.27
Total Current Assets	9,435.88	17,538.76	17,499.85
Total Assets	26,228.97	38,652.42	40,242.20
Equity and Liabilities			
1. Equity			
(a) Equity Share Capital	758.45	758.45	758.45
(b) Other Equity	10,336.51	12,506.57	12,833.32
Total Equity	11,094.96	13,265.02	13,591.77
Liabilities			
1. Non-Current Liabilities			
(a) Financial Liabilities			
Borrowings	4,877.93	8,049.01	10,537.17
(b) Deferred Tax Liabilities (Net)	762.06	891.55	1,208.25
Total Non-Current Liabilities	5,639.99	8,940.56	11,745.42
2. Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	6,017.89	7,144.61	5,614.59
(ii) Trade Payables Due to			
- Micro and Small Enterprises	-	-	-
- Other Than Micro and Small Enterprises	1,924.40	7,810.67	7,017.27
- Others	-	555.36	825.91
(b) Other Current Liabilities	1,098.53	516.84	553.64
(c) Provisions	402.40	380.96	893.60
(d) Current Tax Liabilities (Net)	50.80	38.40	-
Total Current Liabilities	9,494.02	16,446.84	14,905.01
Total Liabilities	15,134.01	25,387.40	26,650.43
Total Equity and Liabilities	26,228.97	38,652.42	40,242.20

Particulars	FY 2019-20	FY 2020-21	FY 2021-22
I. Revenue from operations	32,586.40	46,577.03	57,551.70
II. Other income	20.90	5.90	29.05
III. Total Revenue (I + II)	32,607.30	46,582.93	57,580.75
IV. Expenses			
(a) Cost of Materials Consumed	24,837.93	35,615.36	46,287.46
(b) Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	-107.39	-477.20	-732.82
(c) Employee Benefits Expense	1,430.34	1,570.17	1,799.35
(d) Finance Costs	1,027.95	1,044.02	1,066.68
(e) Depreciation / Amortization Expenses	1,057.55	1,221.07	1,244.57
(f) Other Expenses	4,066.40	5,318.11	6,983.62
Total Expenses (IV)	32,312.78	44,291.53	56,648.86
V. Profit / Loss before Exceptional Items and Tax (III-IV)	294.52	2,291.40	931.89
VI. Exceptional Items	-	-	-
VII. Profit/(Loss) before Tax (V-VI)	294.52	2,291.40	931.89
VIII. Tax Expenses			
(a) Current Tax	51.54	50.00	65.71
(b) Mat Credit Entitlement	-51.54	-	-
(c) Deferred Tax	85.91	77.95	316.70
Total Tax Expenses	85.91	127.95	382.41
IX. Net Profit / Loss for the period After Tax (VII-VIII)	208.61	2,163.45	549.48
X. Other Comprehensive Income			
a. Items that will not be reclassified to Statement of Profit and Loss			
- Fair Value of Investment (Net of Tax)	-895.2	-	-
- Remeasurement of defined employee benefit plans (Net of Tax)	-	6.61	4.80
b. Items that will be reclassified to Statement of Profit and Loss	-	-	-
XI. Total Comprehensive Income for the Year (IX+X)	-686.59	2,170.06	554.28
Earnings Per Equity Share of Face Value ₹ 10 Each (EPS) (in ₹)			

Particulars	FY 2019-20	FY 2020-21	FY 2021-22
Basic	2.75	28.53	7.25
Diluted	2.75	28.53	7.25

The abridged Standalone balance sheet and statement of profit & loss for last 3 years is given below:

Particulars	FY 2019-20	FY 2020-21	FY 2021-22
Assets			
1. Non-Current Assets			
(a) Property, Plant and Equipment	15,013.97	18,590.40	17,222.30
(b) Intangible Assets	121.44	84.08	46.71
(c) Capital Work-in-Progress	1,395.26	1,974.45	4,758.79
(d) Financial Assets			
(i) Investment in Subsidiary	0.50	0.50	0.50
(ii) Other Investments	0.03	0.03	0.03
(iii) Other Financial Assets	-	203.11	232.29
(e) Other Non-Current Assets	262.39	261.59	27.79
Total Non-Current Assets	16,793.59	21,114.16	22,288.41
2. Current Assets			
(a) Inventories	5,648.84	7,318.98	7,482.44
(b) Financial Assets			
(i) Trade Receivables	1,791.99	5,443.20	5,446.70
(ii) Cash and Cash Equivalents	9.23	672.57	140.86
(iii) Loans	-	34.79	473.06
(iv) Other Financial Assets	37.20	360.89	1,474.10
(c) Current Tax Assets (Net)	-	-	118.27
(d) Other Current Assets	1,948.12	3,708.41	2,811.65
Total Current Assets	9,435.38	17,538.84	17,947.08
Total Assets	26,228.97	38,653.00	40,235.49
Equity and Liabilities			
1. Equity			
(a) Equity Share Capital	758.45	758.45	758.45
(b) Other Equity	10,337.01	12,507.75	12,835.07
Total Equity	11,095.46	13,266.20	13,593.52
Liabilities			
1. Non-Current Liabilities			
(a) Financial Liabilities			
Borrowings	4,877.93	8,049.01	10,537.17
(b) Deferred Tax Liabilities (Net)	762.06	891.55	1,208.25
Total Non-Current Liabilities	5,639.99	8,940.56	11,745.42
2. Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	6,017.89	7,144.61	5,614.59
(ii) Trade Payables Due to			
- Micro and Small Enterprises	-	-	-
- Other Than Micro and Small Enterprises	1,924.41	7,810.67	7,009.30
- Others	-	555.36	825.91
(b) Other Current Liabilities	1,098.52	516.84	553.64
(c) Provisions	401.90	380.36	893.11
(d) Current Tax Liabilities (Net)	50.80	38.40	-
Total Current Liabilities	9,493.52	16,446.24	14,896.55
Total Liabilities	15,133.51	25,386.80	26,641.97
Total Equity and Liabilities	26,228.97	38,653.00	40,235.49

Particulars	FY 2019-20	FY 2020-21	FY 2021-22
I. Revenue from operations	32,586.40	46,577.03	57,551.70
II. Other income	20.90	5.90	29.05
III. Total Revenue (I + II)	32,607.30	46,582.93	57,580.75
IV. Expenses			
(a) Cost of Materials Consumed	24,837.93	35,615.36	46,287.46
(b) Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	-107.39	-477.20	-732.82
(c) Employee Benefits Expense	1,430.34	1,570.17	1,799.35
(d) Finance Costs	1,027.95	1,044.04	1,066.60
(e) Depreciation / Amortization Expenses	1,057.55	1,221.07	1,244.57
(f) Other Expenses	4,065.90	5,317.41	6,983.13
Total Expenses (IV)	32,312.28	44,290.85	56,648.29
V. Profit / Loss before Exceptional Items and Tax (III-IV)	295.02	2,292.08	932.46
VI. Exceptional Items	-	-	-
VII. Profit/(Loss) before Tax (V-VI)	295.02	2,292.08	932.46
VIII. Tax Expenses			
(a) Current Tax	51.54	50.00	65.71
(b) Mat Credit Entitlement	-51.54	-	-
(c) Deferred Tax	85.91	77.95	316.70
Total Tax Expenses	85.91	127.95	382.41
IX. Net Profit / Loss for the period After Tax (VII-VIII)	209.11	2,164.13	550.05
X. Other Comprehensive Income			
a. Items that will not be reclassified to Statement of Profit and Loss			
- Fair Value of Investment (Net of Tax)	-895.20	-	-
- Remeasurement of defined employee benefit plans (Net of Tax)	-	6.61	4.80
b. Items that will be reclassified to Statement of Profit and Loss			
XI. Total Comprehensive Income for the Year (IX+X)	-686.09	2,170.74	554.85
Earnings Per Equity Share of Face Value ₹ 10 Each (EPS) (in ₹)			
Basic	2.76	28.53	7.25
Diluted	2.76	28.53	7.25

- (l) **Latest audited financials along with notes to accounts and any audit qualifications:** The latest audited financial statements along with notes to accounts is published on the website of the Company viz., www.aarti-surfactants.com and available in the link viz., <https://www.aarti-surfactants.com/annual-report.htm>.
- (m) **Change in accounting policies in the last three years and their effect on profits and reserves:** Nil
- (n) **Summary table of contingent liabilities as disclosed in the restated financial statements:**

Particulars	Standalone			Consolidated		
	FY 2019-20	FY 2020-21	FY 2021-22	FY 2019-20	FY 2020-21	FY 2021-22
Claims against the company not acknowledged as Debt - Unpaid	1,002.02	884.01	884.01	1,002.02	884.01	884.01
Claims against the company not acknowledged as Debt - Paid (under dispute)	250.54	260.42	250.53	250.54	260.42	250.53
Letter of Credit, Bank Guarantees	-	11.74	49.24	-	11.74	49.24

- (o) **Summary table of related party transactions in last 3 years as disclosed in the financial statements:**

Particulars	Standalone			Consolidated		
	FY 2019-20	FY 2020-21	FY 2021-22	FY 2019-20	FY 2020-21	FY 2021-22
Key Management personnel and their relatives						
Remuneration paid	74.83	117.00	132.53	74.83	117.00	132.53
Sitting Fees	0.38	1.25	2.12	0.38	1.25	2.12
Investment in Aarti HPC Limited	0.50	-	-	-	-	-
Loan to Aarti HPC Limited	-	-	452.72	-	-	-
Advance to Aarti HPC Limited	0.75	-	-	-	-	-
Post-Employment Benefit Trust						
Contribution during the year	-	19.00	11.99	-	19.00	11.99

- (p) **Details of other group companies including their capital structure and financial statements:** The Company is having one group company namely Aarti HPC Limited, a wholly owned subsidiary company.

a) Share Capital Structure of Aarti HPC Limited, Wholly Owned Subsidiary of Company		
Equity Share Capital:	(Amount in ₹)	
Particulars	No. of Shares	As at March 31, 2022
Authorized Share Capital		
Equity Shares of ₹ 10/- each	1,00,000	10,00,000
Issued, Subscribed & Paid up		
Equity Shares of ₹ 10/- each fully paid up	5,000	50,000
b) Financial Information of Aarti HPC Limited, Wholly Owned Subsidiary of Company as on March 31, 2022:		
(₹ In Lakhs)		
Revenue	Nil	
Other Expenses	56,221	
Profit Before Tax	-56,221	
Profit After Tax	-56,221	
Total Comprehensive Income For The Year	-56,221	
Earnings Per Equity Share (EPS) (in ₹) Basic/Diluted	-11.24	

- (q) **Internal Risk Factors:**
- We are subject to increasingly stringent environmental, health and safety laws, regulations and standards. Non-compliance with and adverse changes in health, safety, labour, and environmental laws and other similar regulations to our manufacturing operations may adversely affect our business, results of operations and financial condition.
 - We are required to obtain, renew or maintain statutory and regulatory permits, licenses and approvals to operate our business and our manufacturing facility, and any delay or inability in obtaining, renewing or maintaining such permits, licenses and approvals could result in an adverse effect on our results of operations.
 - We operate in a competitive business environment. Competition from existing players and new entrants and consequent pricing pressures could have a material adverse effect on business growth and prospects, financial condition and results of operations.
 - Our operations may be adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.
 - Failures in internal control systems, plan SOP's could cause operational errors which may have an adverse impact on our profitability.
 - Technology failures could disrupt our operations and adversely affect our business operations and financial performance.
 - The financial impact of COVID-19 has had, and is expected to continue to have, an adverse effect on our liquidity, and we continue to monitor and assess our access to appropriate sources of liquidity in order to sustain our business throughout this crisis, and there can be no assurance that additional liquidity from other sources will be available to us on favorable terms, or at all.
- (r) **Outstanding litigations and defaults of the Company, promoters, directors or any of the group companies:** There are no outstanding litigations against our Company, our Directors, our Promoters, or our Group Company that would have a material adverse effect on our business.
- (s) **Regulatory Action, if any - disciplinary action taken by SEBI or Stock Exchanges against the Promoters in last 5 financial years:** Not Applicable
- (t) **Brief details of outstanding criminal proceedings against the Promoters:** Not Applicable
- (u) **Particulars of high, low and average prices of the shares of the listed transferor entity i.e. Aarti Industries Limited during the preceding three years:** The Transferor Company does not have any preference shares listed on the Stock Exchanges. However, high, low and average price details of equity shares of Aarti Industries Limited are available on the website of the Stock Exchanges.
- (v) **Material development after the date of balance sheet:**
The material development after the date of balance sheet i.e., March 31, 2022 includes the following:

Sr. No.	Particulars	Date of Event/ Effective Date
1	BSE In-Principle approval for listing of 10,82,387 RPS of ₹ 10/-	06.04.2022
2	Approval for Reclassification of Promoter received from BSE & NSE	05.05.2022
3	Appointment of Ms. Priyanka Chaurasia as Company Secretary & Compliance Officer of the Company	04.08.2022
4	Fourth Annual General Meeting of the Company	05.08.2022
5	Re-appointment of Mr. Nikhil Parimal Desai (DIN: 01660649) as Managing Director	05.08.2022
6	Re-appointment of Mr. Santosh Kakade (DIN: 08505234) as an Executive Director	05.08.2022
7	NSE In-Principle approval for listing of 10,82,387 RPS of ₹ 10/-	30.08.2022

- (w) **Such other information as may be specified by the Board from time to time:** Not Applicable

This Notice is also available on the website of the Company i.e. at www.aarti-surfactants.com.

For Aarti Surfactants Limited
Sd/-
Priyanka Chaurasia
Company Secretary & Compliance Officer

Date : 08.09.2022
Place : Mumbai

THIS IS A PUBLIC ANNOUNCEMENT IN COMPLIANCE WITH ONLY AND DOES NOT CONSTITUTE AN INVITATION OR OFFER TO ACQUIRE, PURCHASE OR SUBSCRIBE TO SECURITIES NOR IS IT A PROSPECTUS ANNOUNCEMENT



AARTI SURFACTANTS LIMITED

Registered Office: 801, 801/23, GIDC Estate, Phase III Vapi Valsad, Gujarat 396195, India
Corporate Office: Unit 202, Plot 71, Udyog Kshetra, 2nd Floor, Mulund Goregaon Link Road, Mulund (West), Mumbai-400080, Maharashtra, India
Tel. No.: +91 22 67976666/ 6585; Email: investors@aarti-surfactants.com; Website: www.aarti-surfactants.com; CIN: L24100GJ2018PLC102891

PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE SHAREHOLDERS OF AARTI SURFACTANTS LIMITED

STATUTORY ADVERTISEMENT ("ADVERTISEMENT") ISSUED IN COMPLIANCE WITH THE CLAUSE III(A)(5) OF ANNEXURE I OF THE CIRCULAR BEARING NO. CFD/DIL3/CIR/2017/21 DATED MARCH 10, 2017 AS AMENDED, ISSUED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") IN RELATION TO THE RELAXATION UNDER SUB-RULE (7) OF RULE 19 OF THE SECURITIES CONTRACT (REGULATION) RULES, 1957 AS AMENDED ("SCRR"), PURSUANT TO THE COMPOSITE SCHEME OF ARRANGEMENT BETWEEN AARTI INDUSTRIES LIMITED AND AARTI SURFACTANTS LIMITED AND NASCENT CHEMICAL INDUSTRIES LIMITED AND THEIR RESPECTIVE SHAREHOLDERS UNDER THE PROVISIONS OF SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER, SANCTIONED BY THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL BENCH AT AHMEDABAD ("TRIBUNAL") VIDE ITS ORDER DATED JUNE 20, 2019 ("SCHEME") FOR LISTING OF 10,82,387 REDEEMABLE PREFERENCE SHARES OF RUPEES 10/- EACH ("PREFERENCE") AND THE GRANT OF PERMISSION BY SEBI FOR THE RELAXATION OF THE STIPULATIONS UNDER RULE 19(2)(B) OF THE SCRR.

The Board of Directors of the Company at its Meeting held on August 20, 2019 have allotted 10,82,387 Redeemable Preference Shares ("RPS") to the members of the Aarti Industries Limited, who opted to subscribe the Redeemable Preference Shares, as on the Record Date of July 4, 2019, as per the ratio prescribed in the Scheme.

The Company has made an application for listing of Redeemable Preference Shares to BSE Limited and National Stock Exchange Limited on January 20, 2020 and September 12, 2019 respectively.

The Company has received in-principle approval for listing of Redeemable Preference Shares from BSE Limited and National Stock Exchange Limited on April 6, 2022 and August 30, 2022 respectively.

In compliance of the clause III(A)(5) of Annexure I of the SEBI Circular CFD/DIL3/ CIR/2017/21 dated March 10, 2017 and as amended from time to time, we hereby provide the following details:

- (a) **Name:** Aarti Surfactants Limited
(b) **Registered Office:** 801, 801/23, GIDC Estate, Phase III, Vapi Valsad, Gujarat 396195, India

Corporate Office: Unit 202, Plot 71, Udyog Kshetra, 2nd Floor, Mulund Goregaon Link Road, Mulund (West), Mumbai-400080, Maharashtra, India

- (c) **Details of change of name and/ or object clause:** The name of the Company was changed from Arti Surfactants Limited to Aarti Surfactants Limited and a fresh Certificate of Incorporation consequent upon change of name was issued on July 8, 2019. There was no change in the object clause of the Company since incorporation.

- (d) **Capital Structure:** Pre and Post Scheme:

- (i) **Pre Scheme:**

Particulars	Amount (in ₹)
Authorized Share Capital	
50,000 Equity shares of ₹10/- each	5,00,000
Issued, Subscribed and Paid up Share Capital	
50,000 Equity shares of ₹10/- each	5,00,000

- (ii) **Post Scheme:**

Particulars	Amount (in ₹)
Authorized Share Capital	
3,18,70,000 equity shares of ₹10/- each	31,87,00,000
81,30,000 Redeemable Preference Shares of ₹10/- each	8,13,00,000
Total	40,00,00,000
Issued, Subscribed and Paid up Share Capital	
75,84,477 Equity Shares of ₹10/- each	7,58,44,770
10,82,387 Redeemable Preference Shares of ₹10/- each	1,08,23,870
Total	8,66,68,640

Notes:

- a) Pursuant to Ordinary Resolution passed by Shareholders at the Annual General Meeting of the Company held on October 21, 2019, there was increase in the Authorized Share Capital of the Company to ₹ 40,00,00,000/- (Rupees Forty Crore only) consisting of 3,18,70,000 (Three Crore Eighteen Lakh Seventy Thousand) equity shares of ₹ 10/- (Rupees Ten only) each and 81,30,000 (Eighty-One Lakh Thirty Thousand) Redeemable Preference Shares of ₹ 10/- (Rupees Ten Only) each.
- b) Pursuant to the Scheme, the pre-scheme paid-up share capital stands reduced, cancelled and extinguished and the Company has allotted 75,84,477 Equity shares of ₹ 10/- each and 10,82,387 Redeemable Preference Shares of ₹ 10/- each to the Equity shareholder of the Aarti Industries Limited.

- (e) **Shareholding pattern giving details of its promoter group shareholding, group companies - pre and post scheme:**

- (i) **Shareholding Pattern of Equity Shares:**

Particulars	Pre Scheme		Post Scheme (as on June 30, 2022)	
	No. of equity shares	% of equity shares	No. of equity shares	% of equity shares
Promoter and Promoter Group	50,000	100.00	34,16,095	45.04
Public Shareholding	0	0.00	41,68,382	54.96
Total	50,000	100.00	75,84,477	100.00

- (ii) **Shareholding Pattern of Redeemable Preference Shares:**

Particulars	Pre Scheme		Post Scheme (as on June 30, 2022)	
	No. of RPS	% of RPS	No. of RPS	% of RPS
Promoter and Promoter Group	NA	NA	8,99,111	83.07
Public Shareholding	NA	NA	1,83,276	16.93
Total	NA	NA	10,82,387	100.00

- (iii) **Shareholding Pattern of Promoter and Promoter Group:**

Pre Scheme:

Sr. No.	Name of the Promoter and Promoter Group	No. of equity shares	% of equity shares	No. of Redeemable Preference Shares	% of RPS
	Promoter				
1	Aarti Industries Limited	50,000	100.00	0	0.00
	Promoter Group				
--	--	--	--	--	--
	Total	50,000	100.00	0	0.00

Post Scheme: (as on June 30, 2022)

Sr. No.	Name of the Promoter and Promoter Group	No. of equity shares	% of equity shares	No. of Redeemable Preference Shares	% of RPS
	Promoter				
1	Parimal Hasmukhlal Desai	1,06,646	1.41	30,930	2.86
2	Chandrakant Vallabhaji Gogri	302	0.00	0	0.00
	Promoter Group				
1	Jaya Chandrakant Gogri	11,36,216	14.98	0	0.00
2	Rashesh Chandrakant Gogri	3,83,438	5.06	0	0.00
3	Hetal Gogri Gala	2,61,553	3.45	0	0.00

Sr. No.	Name of the Promoter and Promoter Group	No. of equity shares	% of equity shares	No. of Redeemable Preference Shares	% of RPS
4	Tarla Parimal Desai	1,00,000	1.32	11,276	1.04
5	Nikhil Parimal Desai	80,333	1.06	78,101	7.22
6	Manisha Rashesh Gogri	55,000	0.73	0	0.00
7	Aarnav Rashesh Gogri	54,999	0.73	0	0.00
8	Aashay Rashesh Gogri	54,999	0.73	0	0.00
9	Indira Madan Dedhia	21,872	0.29	0	0.00
10	Bhavna Shah Lalka	0	0.00	51,394	4.75
11	Dilip Tejshi Dedhia	0	0.00	355	0.03
12	Gunavanti Navin Shah	0	0.00	8,664	0.80
13	Heena Bhatia	0	0.00	31,533	2.91
14	Nehal Garewal	0	0.00	1,16,613	10.77
15	Prasadi Yogesh Banatwala	0	0.00	594	0.05
16	Ratanben Premji Gogri	0	0.00	37,799	3.49
17	Sarla Shantilal Shah	0	0.00	1,92,588	17.79
18	Shantilal Tejshi Shah (HUF)	0	0.00	36,914	3.41
19	Saswat Trusteeship Private Limited	2,50,000	3.30	0	0.00
20	Nikhil Holdings Private Limited	5,53,874	7.30	27,827	2.57
21	Anushakti Enterprise Private Limited	2,49,250	3.29	0	0.00
22	Alchemie Financial Services Limited	67,300	0.89	0	0.00
23	Gogri Finserv Private Limited	26,410	0.35	0	0.00
24	Dilesh Roadlines Private Limited	831	0.01	0	0.00
25	Heena Family Private Trust	0	0.00	83,385	7.70
26	Valiant Organics Limited	0	0.00	20,240	1.87
27	Bhanu Pradip Savla	13,072	0.17	0	0.00
28	Late Shantilal Tejshi Shah	0	0.00	1,70,898	15.79

(iv) **Details of Group Company:** The Company has one group company namely Aarti HPC Limited, a wholly owned subsidiary company. Aarti HPC Limited was incorporated on December 26, 2019. The Authorized Share Capital of the Company is ₹ 10,00,000 divided into 1,00,000 Equity Shares of ₹ 10 each and Paid-up Share Capital of the Company is ₹ 50,000 divided into 5,000 Equity Shares of ₹ 10 each.

- (f) **Details of ten largest Shareholders as on June 30, 2022:**

Equity Shareholders:

Sr. No.	Name of Equity Shareholder	No. of Equity Shares	%
1	Jaya Chandrakant Gogri	11,36,216	14.98
2	Nikhil Holdings Private Limited	5,53,874	7.30
3	Rashesh Chandrakant Gogri	3,83,438	5.06
4	Hetal Gogri Gala	2,61,553	3.45
5	Saswat Trusteeship Private Limited	2,50,000	3.30
6	Anushakti Enterprise Private Limited	2,49,250	3.29
7	Padmika Projects LLP	2,46,037	3.24
8	Dhiren Kishore Shah	1,21,075	1.60
9	Parimal Hasmukhlal Desai	1,06,646	1.41
10	Mulraj Chandulal Gala	1,01,756	1.34

Redeemable Preference Shareholders:

Sr. No.	Name of RPS Holder	No. of RPS	%
1	Sarla Shantilal Shah	1,92,588	17.79
2	Late Shantilal Tejshi Shah	1,70,898	15.79
3	Nehal Garewal	1,16,613	10.77
4	Heena Family Private Trust	83,385	7.70
5	Nikhil Parimal Desai	78,101	7.22
6	Bhanumati Mohanlal Savla	60,789	5.62
7	Bhavna Shah Lalka	51,394	4.75
8	Ratanben Premji Gogri	37,799	3.49
9	Shantilal Tejshi Shah HUF	36,914	3.41
10	Heena Bhatia	31,533	2.91

- (g) **Details of Promoter:** Shri Chandrakant V. Gogri and Shri Parimal H. Desai are Promoters of the Company. Brief details of the Promoters are set forth below:

1. **Chandrakant Vallabhaji Gogri**

Address: 1801 Richmond Towers, Cliff Avenue, Near Hiranandani School, Hiranandani Gardens, Powai IIT, Powai Mumbai - 400076.

Education, Qualification and Experience: He is a Chemical Engineer from UDCT, Mumbai. He is the founder of Aarti Group. A varied experience encompassing Projects, Operations, Process Development and Local & International Marketing, in the Chemical Industry. He had been awarded the prestigious "DISTINGUISHED ALUMNUS AWARD" from UDCT (ICT) in the year 1995 for excellent performance as Entrepreneurs in Chemical Industry.

2. **Parimal Hasmukhlal Desai**

Address: A-1403, Runwal Heights, L.B.S. Road, Opp. Nirmal Lifestyle, Mulund West, Mumbai 400080

Education, Qualification and Experience: He holds a bachelor's degree in Chemical Engineering from UDCT, Mumbai. He has more than 38 years of experience in development and project implementation in the chemical industry.

- (h) **Details of Board of Director of the Company:**

Name	DIN	Designation	Age	Experience	Positions held in other Firms / Companies
Mr. Mulesh Manilal Savla	07474847	Chairman & Independent Director	57	He has vast experience of more than 30 years in Taxation, Accounts and Finance, structuring, restructuring of entities	Directorship <ul style="list-style-type: none">Valiant Organics Limited Partners <ul style="list-style-type: none">Shah and Savla LLPMM Savla Financial Services
Mr. Nikhil Parimal Desai	01660649	Managing Director	44	15 years of experience in the field of Project Management, Information Technology, Vendor Management, Process Improvement, Business Management & Strategy.	Directorship <ul style="list-style-type: none">Aarti HPC LimitedNikhil Holdings Private LimitedSulochna and Nandini Welfare Foundation Partners <ul style="list-style-type: none">Dezav Creation Studio LLPPashima Enterprises LLP

Name	DIN	Designation	Age	Experience	Positions held in other Firms / Companies
Mr. Chandrakant Vallabhaji Gogri	00005048	Non – Executive Director	76	Expert in areas of encompassing Projects, Operations, Process Development, Local & International Marketing in the Chemical Industry.	Directorship <ul style="list-style-type: none">Alchemie Financial Services LimitedAnushakti Enterprise Private LimitedCrystal Millennium Realtors LimitedSaswat Trusteeship Private LimitedAarti Nature Care Private LimitedKJF Shelters FoundationKJF Manavta-Ni-Mahek FoundationParakh Hospitals Private Limited Partners <ul style="list-style-type: none">Gogri Enterprises LLPAlchemie IndustriesGenesis Unichem LLPDhanvallah Ventures LLPAkansha Unichem LLPGogri Ventures LLPAakansha Pharmachem LLPAashay Ventures LLPDhaval Realtors (India) LLPAar Em ventures LLPMalhar RealtorsCrystal Millennium AssociatesHighscale Ventures LLPShyam Gopal DevelopersSumukh DevelopersVinayak Reltors
Mr. Dattatray Sidram Galpalli	01853463	Non – Executive Director	62	Rich Experience of working since last 40 years' in various Chemical Industries producing speciality chemicals & intermediates for Agrochemicals, Pharmaceuticals, pigments and dyes.	Nil
Ms. Misha Bharat Gala	08523865	Independent Director	32	A young and dynamic Board Member - by qualification Chartered Accountant, brings Industry trends perspective and forms requisite diversity in the Board.	Nil
Mr. Santosh Madhaorao Kakade	08505234	Executive Director	51	25 years of rich experience in the field of Plant Operations, Process development, SCM and General Management.	Directorship <ul style="list-style-type: none">Aarti HPC Limited

- (i) **Business Overview and Strategy:** The Company was incorporated as Arti Surfactants Limited on June 18, 2018 under the Companies Act, 2013 vide CIN: L24100GJ2018PLC102891, as a Wholly Owned Subsidiary of Aarti Industries Limited and having its Registered Office at 801, 801/23, GIDC Estate, Phase III Vapi Valsad, Gujarat 396195, India. The name was changed to Aarti Surfactants Limited and a fresh Certificate of Incorporation consequent upon change of name was issued on July 8, 2019 by the Registrar of Companies, Ahmedabad, Gujarat.

Aarti Surfactants Limited is a producer of ionic and non-ionic and specialty surfactants. The Company primarily caters to the Home and Personal Care (HPC) industry with a wide range of innovative and high-quality products. (Non-ionic surfactants are those that can be used with high salinity or hard water, and are compatible with other types, and are excellent candidates for complex mixtures with low toxicity levels). The Company produces customized and eco-friendly surfactants, processed with high-quality materials which find application in varied industries, including home care, personal care, hair care, and others.

- (j) **Reason for the Scheme:** The scheme entails rationale of the merger as under:

- Aarti Industries Limited basically has 3 (three) business verticals (i.e. specialty chemicals, pharmaceuticals and home and personal care chemicals) with divergent business profile, growth potential, risk-rewards, regulatory and capital requirements and are largely independent of each other. The home and personal care chemicals business, which constitutes of the Home and Personal Care Undertaking, is currently not ROE (return on equity) accretive. Therefore, in order to create overall value for the shareholders, the management has decided to restructure the home and personal care chemicals business by transferring the Home and Personal Care Undertaking into Aarti Surfactants Limited. The shareholders of Aarti Industries Limited, pursuant to the merger, will be provided with an option to subscribe either to the equity shares or Redeemable Preference Shares (as defined hereinafter) of the Company.*

- The demerger will also result in Aarti Industries Limited and the Company achieving operational efficiencies by streamlining of the relevant businesses.
- The demerger of the Home and Personal Care Undertaking from the Aarti Industries Limited would allow the management of the Company to focus and adopt relevant strategies necessary for the turning around, and promoting growth and expansion of the Home and Personal Care Undertaking; and
- By demerger of the Home and Personal Care Undertaking into the Company, the financial resources will be conveniently raised in accordance with the requirement of the business, leading to optimum utilization of resources towards expansion and growth of the business of the Company.

(k) **Financial statements for the previous three years prior to the date of listing:** The Financial Statements of the Company for last 3 years is published on the website of the Company www.aarti-surfactants.com and available on the link viz., <https://www.aarti-surfactants.com/annual-report.htm>

The abridged Consolidated balance sheet and statement of profit & loss for last 3 years is given below:

Abridged Balance Sheet:

(₹ In Lakhs)

Particulars	FY 2019-20	FY 2020-21	FY 2021-22
Assets			
1. Non-Current Assets			
(a) Property, Plant and Equipment	15,013.97	18,590.40	17,222.30
(b) Intangible Assets	121.44	84.08	46.71
(c) Capital Work-in-Progress	1,395.26	1,974.45	5,205.56
(d) Financial Assets			
Other Investments	0.03	0.03	0.03
Other Financial Assets	-	203.11	239.96
(e) Other Non-Current Assets	262.39	261.59	27.79
Total Non-Current Assets	16,793.06	21,113.66	22,742.35
2. Current Assets			
(a) Inventories	5,648.84	7,318.98	7,482.44
(b) Financial Assets			
(i) Trade Receivables	1,791.99	5,443.20	5,446.70
(ii) Cash and Cash Equivalents	10.48	673.24	142.91
(iii) Loans	-	34.04	19.59
(iv) Other Financial Assets	36.45	360.89	1,474.10
(c) Other Current Assets	1,948.12	3,708.41	2,815.84
(d) Current Assets (Net)	-	-	118.27
Total Current Assets	9,435.88	17,538.76	17,499.85
Total Assets	26,228.97	38,652.42	40,242.20
Equity and Liabilities			
1. Equity			
(a) Equity Share Capital	758.45	758.45	758.45
(b) Other Equity	10,336.51	12,506.57	12,833.32
Total Equity	11,094.96	13,265.02	13,591.77
Liabilities			
1. Non-Current Liabilities			
(a) Financial Liabilities			
Borrowings	4,877.93	8,049.01	10,537.17
(b) Deferred Tax Liabilities (Net)	762.06	891.55	1,208.25
Total Non-Current Liabilities	5,639.99	8,940.56	11,745.42
2. Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	6,017.89	7,144.61	5,614.59
(ii) Trade Payables Due to			
- Micro and Small Enterprises	-	-	-
- Other Than Micro and Small Enterprises	1,924.40	7,810.67	7,017.27
- Others	-	555.36	825.91
(b) Other Current Liabilities	1,098.53	516.84	553.64
(c) Provisions	402.40	380.96	893.60
(d) Current Tax Liabilities (Net)	50.80	38.40	-
Total Current Liabilities	9,494.02	16,446.84	14,905.01
Total Liabilities	15,134.01	25,387.40	26,650.43
Total Equity and Liabilities	26,228.97	38,652.42	40,242.20

Abridged Profit and Loss Account:

(₹ In Lakhs)

Particulars	FY 2019-20	FY 2020-21	FY 2021-22
I. Revenue from operations	32,586.40	46,577.03	57,551.70
II. Other income	20.90	5.90	29.05
III. Total Revenue (I + II)	32,607.30	46,582.93	57,580.75
IV. Expenses			
(a) Cost of Materials Consumed	24,837.93	35,615.36	46,287.46
(b) Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	-107.39	-477.20	-732.82
(c) Employee Benefits Expense	1,430.34	1,570.17	1,799.35
(d) Finance Costs	1,027.95	1,044.02	1,066.68
(e) Depreciation / Amortization Expenses	1,057.55	1,221.07	1,244.57
(f) Other Expenses	4,066.40	5,318.11	6,983.62
Total Expenses (IV)	32,312.78	44,291.53	56,648.86
V. Profit / Loss before Exceptional Items and Tax (III-IV)	294.52	2,291.40	931.89
VI. Exceptional Items	-	-	-
VII. Profit/(Loss) before Tax (V-VI)	294.52	2,291.40	931.89
VIII. Tax Expenses			
(a) Current Tax	51.54	50.00	65.71
(b) Mat Credit Entitlement	-51.54	-	-
(c) Deferred Tax	85.91	77.95	316.70
Total Tax Expenses	85.91	127.95	382.41
IX. Net Profit / Loss for the period After Tax (VII-VIII)	208.61	2,163.45	549.48
X. Other Comprehensive Income			
a. Items that will not be reclassified to Statement of Profit and Loss			
- Fair Value of Investment (Net of Tax)	-895.2	-	-
- Remeasurement of defined employee benefit plans (Net of Tax)	-	6.61	4.80
b. Items that will be reclassified to Statement of Profit and Loss			
XI. Total Comprehensive Income for the Year (IX+X)	-686.59	2,170.06	554.28
Earnings Per Equity Share of Face Value ₹ 10 Each (EPS) (in ₹)			

Particulars	FY 2019-20	FY 2020-21	FY 2021-22
Basic	2.75	28.53	7.25
Diluted	2.75	28.53	7.25

The abridged Standalone balance sheet and statement of profit & loss for last 3 years is given below:

Abridged Balance Sheet:

(₹ In Lakhs)

Particulars	FY 2019-20	FY 2020-21	FY 2021-22
Assets			
1. Non-Current Assets			
(a) Property, Plant and Equipment	15,013.97	18,590.40	17,222.30
(b) Intangible Assets	121.44	84.08	46.71
(c) Capital Work-in-Progress	1,395.26	1,974.45	4,758.79
(d) Financial Assets			
(i) Investment in Subsidiary	0.50	0.50	0.50
(ii) Other Investments	0.03	0.03	0.03
(iii) Other Financial Assets	-	203.11	232.29
(e) Other Non-Current Assets	262.39	261.59	27.79
Total Non-Current Assets	16,793.59	21,114.16	22,288.41
2. Current Assets			
(a) Inventories	5,648.84	7,318.98	7,482.44
(b) Financial Assets			
(i) Trade Receivables	1,791.99	5,443.20	5,446.70
(ii) Cash and Cash Equivalents	9.23	672.57	140.86
(iii) Loans	-	34.79	473.06
(iv) Other Financial Assets	37.20	360.89	1,474.10
(c) Current Tax Assets (Net)	-	-	118.27
(d) Other Current Assets	1,948.12	3,708.41	2,811.65
Total Current Assets	9,435.38	17,538.84	17,947.08
Total Assets	26,228.97	38,653.00	40,235.49
Equity and Liabilities			
1. Equity			
(a) Equity Share Capital	758.45	758.45	758.45
(b) Other Equity	10,337.01	12,507.75	12,835.07
Total Equity	11,095.46	13,266.20	13,593.52
Liabilities			
1. Non-Current Liabilities			
(a) Financial Liabilities			
Borrowings	4,877.93	8,049.01	10,537.17
(b) Deferred Tax Liabilities (Net)	762.06	891.55	1,208.25
Total Non-Current Liabilities	5,639.99	8,940.56	11,745.42
2. Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	6,017.89	7,144.61	5,614.59
(ii) Trade Payables Due to			
- Micro and Small Enterprises	-	-	-
- Other Than Micro and Small Enterprises	1,924.41	7,810.67	7,009.30
- Others	-	555.36	825.91
(b) Other Current Liabilities	1,098.52	516.84	553.64
(c) Provisions	401.90	380.36	893.11
(d) Current Tax Liabilities (Net)	50.80	38.40	-
Total Current Liabilities	9,493.52	16,446.24	14,896.55
Total Liabilities	15,133.51	25,386.80	26,641.97
Total Equity and Liabilities	26,228.97	38,653.00	40,235.49

Abridged Profit and Loss Account:

(₹ In Lakhs)

Particulars	FY 2019-20	FY 2020-21	FY 2021-22
I. Revenue from operations	32,586.40	46,577.03	57,551.70
II. Other income	20.90	5.90	29.05
III. Total Revenue (I + II)	32,607.30	46,582.93	57,580.75
IV. Expenses			
(a) Cost of Materials Consumed	24,837.93	35,615.36	46,287.46
(b) Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	-107.39	-477.20	-732.82
(c) Employee Benefits Expense	1,430.34	1,570.17	1,799.35
(d) Finance Costs	1,027.95	1,044.04	1,066.60
(e) Depreciation / Amortization Expenses	1,057.55	1,221.07	1,244.57
(f) Other Expenses	4,065.90	5,317.41	6,983.13
Total Expenses (IV)	32,312.28	44,290.85	56,648.29
V. Profit / Loss before Exceptional Items and Tax (III-IV)	295.02	2,292.08	932.46
VI. Exceptional Items	-	-	-
VII. Profit/(Loss) before Tax (V-VI)	295.02	2,292.08	932.46
VIII. Tax Expenses			
(a) Current Tax	51.54	50.00	65.71
(b) Mat Credit Entitlement	-51.54	-	-
(c) Deferred Tax	85.91	77.95	316.70
Total Tax Expenses	85.91	127.95	382.41
IX. Net Profit / Loss for the period After Tax (VII-VIII)	209.11	2,164.13	550.05
X. Other Comprehensive Income			
a. Items that will not be reclassified to Statement of Profit and Loss			
- Fair Value of Investment (Net of Tax)	-895.20	-	-
- Remeasurement of defined employee benefit plans (Net of Tax)	-	6.61	4.80
b. Items that will be reclassified to Statement of Profit and Loss			
XI. Total Comprehensive Income for the Year (IX+X)	-686.09	2,170.74	554.85
Earnings Per Equity Share of Face Value ₹ 10 Each (EPS) (in ₹)			
Basic	2.76	28.53	7.25
Diluted	2.76	28.53	7.25

(l) **Latest audited financials along with notes to accounts and any audit qualifications:** The latest audited financial statements along with notes to accounts is published on the website of the Company viz., www.aarti-surfactants.com and available in the link viz., <https://www.aarti-surfactants.com/annual-report.htm>.

(m) **Change in accounting policies in the last three years and their effect on profits and reserves:** Nil

(n) **Summary table of contingent liabilities as disclosed in the restated financial statements:**

(₹ In Lakhs)

Particulars	Standalone			Consolidated		
	FY 2019-20	FY 2020-21	FY 2021-22	FY 2019-20	FY 2020-21	FY 2021-22
Claims against the company not acknowledged as Debt - Unpaid	1,002.02	884.01	884.01	1,002.02	884.01	884.01
Claims against the company not acknowledged as Debt - Paid (under dispute)	250.54	260.42	250.53	250.54	260.42	250.53
Letter of Credit, Bank Guarantees	-	11.74	49.24	-	11.74	49.24

(o) **Summary table of related party transactions in last 3 years as disclosed in the financial statements:**

(₹ In Lakhs)

Particulars	Standalone			Consolidated		
	FY 2019-20	FY 2020-21	FY 2021-22	FY 2019-20	FY 2020-21	FY 2021-22
Key Management personnel and their relatives						
Remuneration paid	74.83	117.00	132.53	74.83	117.00	132.53
Sitting Fees	0.38	1.25	2.12	0.38	1.25	2.12
Investment in Aarti HPC Limited	0.50	-	-	-	-	-
Loan to Aarti HPC Limited	-	-	452.72	-	-	-
Advance to Aarti HPC Limited	0.75	-	-	-	-	-
Post-Employment Benefit Trust						
Contribution during the year	-	19.00	11.99	-	19.00	11.99

(p) **Details of other group companies including their capital structure and financial statements:** The Company is having one group company namely Aarti HPC Limited, a wholly owned subsidiary company.

a) Share Capital Structure of Aarti HPC Limited, Wholly Owned Subsidiary of Company

Equity Share Capital:		(Amount in ₹)	
Particulars	No. of Shares	As at March 31, 2022	
Authorized Share Capital			
Equity Shares of ₹ 10/- each	1,00,000	10,00,000	
Issued, Subscribed & Paid up			
Equity Shares of ₹ 10/- each fully paid up	5,000	50,000	

b) Financial Information of Aarti HPC Limited, Wholly Owned Subsidiary of Company as on March 31, 2022:

(₹ In Lakhs)

Revenue	Nil
Other Expenses	56,221
Profit Before Tax	-56,221
Profit After Tax	-56,221
Total Comprehensive Income For The Year	-56,221
Earnings Per Equity Share (EPS) (in ₹) Basic/Diluted	-11.24

(q) Internal Risk Factors:

- We are subject to increasingly stringent environmental, health and safety laws, regulations and standards. Non-compliance with and adverse changes in health, safety, labour, and environmental laws and other similar regulations to our manufacturing operations may adversely affect our business, results of operations and financial condition.
 - We are required to obtain, renew or maintain statutory and regulatory permits, licenses and approvals to operate our business and our manufacturing facility, and any delay or inability in obtaining, renewing or maintaining such permits, licenses and approvals could result in an adverse effect on our results of operations.
 - We operate in a competitive business environment. Competition from existing players and new entrants and consequent pricing pressures could have a material adverse effect on business growth and prospects, financial condition and results of operations.
 - Our operations may be adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.
 - Failures in internal control systems, plan SOP's could cause operational errors which may have an adverse impact on our profitability.
 - Technology failures could disrupt our operations and adversely affect our business operations and financial performance.
 - The financial impact of COVID-19 has had, and is expected to continue to have, an adverse effect on our liquidity, and we continue to monitor and assess our access to appropriate sources of liquidity in order to sustain our business throughout this crisis, and there can be no assurance that additional liquidity from other sources will be available to us on favorable terms, or at all.
- (r) **Outstanding litigations and defaults of the Company, promoters, directors or any of the group companies:** There are no outstanding litigations against our Company, our Directors, our Promoters, or our Group Company that would have a material adverse effect on our business.
- (s) **Regulatory Action, if any - disciplinary action taken by SEBI or Stock Exchanges against the Promoters in last 5 financial years:** Not Applicable
- (t) **Brief details of outstanding criminal proceedings against the Promoters:** Not Applicable
- (u) **Particulars of high, low and average prices of the shares of the listed transferor entity i.e. Aarti Industries Limited during the preceding three years:** The Transferor Company does not have any preference shares listed on the Stock Exchanges. However, high, low and average price details of equity shares of Aarti Industries Limited are available on the website of the Stock Exchanges.

(v) Material development after the date of balance sheet:

The material development after the date of balance sheet i.e., March 31, 2022 includes the following:

Sr. No.	Particulars	Date of Event/ Effective Date
1	BSE In-Principle approval for listing of 10,82,387 RPS of ₹ 10/-	06.04.2022
2	Approval for Reclassification of Promoter received from BSE & NSE	05.05.2022
3	Appointment of Ms. Priyanka Chaurasia as Company Secretary & Compliance Officer of the Company	04.08.2022
4	Fourth Annual General Meeting of the Company	05.08.2022
5	Re-appointment of Mr. Nikhil Parimal Desai (DIN: 01660649) as Managing Director	05.08.2022
6	Re-appointment of Mr. Santosh Kakade (DIN: 08505234) as an Executive Director	05.08.2022
7	NSE In-Principle approval for listing of 10,82,387 RPS of ₹ 10/-	30.08.2022

(w) **Such other information as may be specified by the Board from time to time:** Not Applicable

This Notice is also available on the website of the Company i.e. at www.aarti-surfactants.com.

For Aarti Surfactants Limited**Sd/-****Priyanka Chaurasia****Company Secretary & Compliance Officer****Date :** 08.09.2022**Place :** Mumbai

THIS IS A PUBLIC ANNOUNCEMENT IN COMPLIANCE WITH ONLY AND DOES NOT CONSTITUTE AN INVITATION OR OFFER TO ACQUIRE, PURCHASE OR SUBSCRIBE TO SECURITIES NOR IS IT A PROSPECTUS ANNOUNCEMENT



AARTI SURFACTANTS LIMITED

Registered Office: 801, 801/23, GIDC Estate, Phase III Vapi Valsad, Gujarat 396195, India
Corporate Office: Unit 202, Plot 71, Udyog Kshetra, 2nd Floor, Mulund Goregaon Link Road, Mulund (West), Mumbai-400080, Maharashtra, India
Tel. No.: +91 22 67976666/ 6585; Email: investors@aarti-surfactants.com; Website: www.aarti-surfactants.com; CIN: L24100GJ2018PLC102891

PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE SHAREHOLDERS OF AARTI SURFACTANTS LIMITED

STATUTORY ADVERTISEMENT ("ADVERTISEMENT") ISSUED IN COMPLIANCE WITH THE CLAUSE III(A)(5) OF ANNEXURE I OF THE CIRCULAR BEARING NO. CFD/DIL3/CIR/2017/21 DATED MARCH 10, 2017 AS AMENDED, ISSUED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") IN RELATION TO THE RELAXATION UNDER SUB-RULE (7) OF RULE 19 OF THE SECURITIES CONTRACT (REGULATION) RULES, 1957 AS AMENDED ("SCRR"), PURSUANT TO THE COMPOSITE SCHEME OF ARRANGEMENT BETWEEN AARTI INDUSTRIES LIMITED AND AARTI SURFACTANTS LIMITED AND NASCENT CHEMICAL INDUSTRIES LIMITED AND THEIR RESPECTIVE SHAREHOLDERS UNDER THE PROVISIONS OF SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER, SANCTIONED BY THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL BENCH AT AHMEDABAD ("TRIBUNAL") VIDE ITS ORDER DATED JUNE 20, 2019 ("SCHEME") FOR LISTING OF 10,82,387 REDEEMABLE PREFERENCE SHARES OF RUPEES 10/- EACH ("PREFERENCE") AND THE GRANT OF PERMISSION BY SEBI FOR THE RELAXATION OF THE STIPULATIONS UNDER RULE 19(2)(B) OF THE SCRR.

The Board of Directors of the Company at its Meeting held on August 20, 2019 have allotted 10,82,387 Redeemable Preference Shares ("RPS") to the members of the Aarti Industries Limited, who opted to subscribe the Redeemable Preference Shares, as on the Record Date of July 4, 2019, as per the ratio prescribed in the Scheme.

The Company has made an application for listing of Redeemable Preference Shares to BSE Limited and National Stock Exchange Limited on January 20, 2020 and September 12, 2019 respectively.

The Company has received in-principle approval for listing of Redeemable Preference Shares from BSE Limited and National Stock Exchange Limited on April 6, 2022 and August 30, 2022 respectively.

In compliance of the clause III(A)(5) of Annexure I of the SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 and as amended from time to time, we hereby provide the following details:

- (a) **Name:** Aarti Surfactants Limited
(b) **Registered Office:** 801, 801/23, GIDC Estate, Phase III, Vapi Valsad, Gujarat 396195, India
Corporate Office: Unit 202, Plot 71, Udyog Kshetra, 2nd Floor, Mulund Goregaon Link Road, Mulund (West), Mumbai-400080, Maharashtra, India

- (c) **Details of change of name and/or object clause:** The name of the Company was changed from Arti Surfactants Limited to Aarti Surfactants Limited and a fresh Certificate of Incorporation consequent upon change of name was issued on July 8, 2019. There was no change in the object clause of the Company since incorporation.

- (d) **Capital Structure:** Pre and Post Scheme:

(i) **Pre Scheme:**

Particulars	Amount (in ₹)
Authorized Share Capital	
50,000 Equity shares of ₹10/- each	5,00,000
Issued, Subscribed and Paid up Share Capital	
50,000 Equity shares of ₹10/- each	5,00,000

(ii) **Post Scheme:**

Particulars	Amount (in ₹)
Authorized Share Capital	
3,18,70,000 equity shares of ₹10/- each	31,87,00,000
81,30,000 Redeemable Preference Shares of ₹10/- each	8,13,00,000
Total	40,00,00,000
Issued, Subscribed and Paid up Share Capital	
75,84,477 Equity Shares of ₹10/- each	7,58,44,770
10,82,387 Redeemable Preference Shares of ₹10/- each	1,08,23,870
Total	8,66,68,640

Notes:

- a) Pursuant to Ordinary Resolution passed by Shareholders at the Annual General Meeting of the Company held on October 21, 2019, there was increase in the Authorized Share Capital of the Company to ₹ 40,00,00,000/- (Rupees Forty Crore only) consisting of 3,18,70,000 (Three Crore Eighteen Lakh Seventy Thousand) equity shares of ₹ 10/-(Rupees Ten only) each and 81,30,000 (Eighty-One Lakh Thirty Thousand) Redeemable Preference Shares of ₹ 10/-(Rupees Ten Only) each.
- b) Pursuant to the Scheme, the pre-scheme paid-up share capital stands reduced, cancelled and extinguished and the Company has allotted 75,84,477 Equity shares of ₹ 10/- each and 10,82,387 Redeemable Preference Shares of ₹ 10/- each to the Equity shareholder of the Aarti Industries Limited.

- (e) **Shareholding pattern giving details of its promoter group shareholding, group companies - pre and post scheme:**

(i) **Shareholding Pattern of Equity Shares:**

Particulars	Pre Scheme		Post Scheme (as on June 30, 2022)	
	No. of equity shares	% of equity shares	No. of equity shares	% of equity shares
Promoter and Promoter Group	50,000	100.00	34,16,095	45.04
Public Shareholding	0	0.00	41,68,382	54.96
Total	50,000	100.00	75,84,477	100.00

(ii) **Shareholding Pattern of Redeemable Preference Shares:**

Particulars	Pre Scheme		Post Scheme (as on June 30, 2022)	
	No. of RPS	% of RPS	No. of RPS	% of RPS
Promoter and Promoter Group	NA	NA	8,99,111	83.07
Public Shareholding	NA	NA	1,83,276	16.93
Total	NA	NA	10,82,387	100.00

(iii) **Shareholding Pattern of Promoter and Promoter Group:**

Pre Scheme:

Sr. No.	Name of the Promoter and Promoter Group	No. of equity shares	% of equity shares	No. of Redeemable Preference Shares	% of RPS
	Promoter				
1	Aarti Industries Limited	50,000	100.00	0	0.00
	Promoter Group				
--	--	--	--	--	--
Total		50,000	100.00	0	0.00

Post Scheme: (as on June 30, 2022)

Sr. No.	Name of the Promoter and Promoter Group	No. of equity shares	% of equity shares	No. of Redeemable Preference Shares	% of RPS
	Promoter				
1	Parimal Hasmukhlal Desai	1,06,646	1.41	30,930	2.86
2	Chandrakant Vallabhaji Gogri	302	0.00	0	0.00
	Promoter Group				
1	Jaya Chandrakant Gogri	11,36,216	14.98	0	0.00
2	Rashesh Chandrakant Gogri	3,83,438	5.06	0	0.00
3	Hetal Gogri Gala	2,61,553	3.45	0	0.00

Sr. No.	Name of the Promoter and Promoter Group	No. of equity shares	% of equity shares	No. of Redeemable Preference Shares	% of RPS
4	Tarla Parimal Desai	1,00,000	1.32	11,276	1.04
5	Nikhil Parimal Desai	80,333	1.06	78,101	7.22
6	Manisha Rashesh Gogri	55,000	0.73	0	0.00
7	Aarnav Rashesh Gogri	54,999	0.73	0	0.00
8	Aashay Rashesh Gogri	54,999	0.73	0	0.00
9	Indira Madan Dedhia	21,872	0.29	0	0.00
10	Bhavna Shah Lalka	0	0.00	51,394	4.75
11	Dilip Tejshi Dedhia	0	0.00	355	0.03
12	Gunavanti Navin Shah	0	0.00	8,664	0.80
13	Heena Bhatia	0	0.00	31,533	2.91
14	Nehal Garewal	0	0.00	1,16,613	10.77
15	Prasadi Yogesh Banatwala	0	0.00	594	0.05
16	Ratanben Premji Gogri	0	0.00	37,799	3.49
17	Sarla Shantilal Shah	0	0.00	1,92,588	17.79
18	Shantilal Tejshi Shah (HUF)	0	0.00	36,914	3.41
19	Saswat Trusteeship Private Limited	2,50,000	3.30	0	0.00
20	Nikhil Holdings Private Limited	5,53,874	7.30	27,827	2.57
21	Anushakti Enterprise Private Limited	2,49,250	3.29	0	0.00
22	Alchemie Financial Services Limited	67,300	0.89	0	0.00
23	Gogri Finserv Private Limited	26,410	0.35	0	0.00
24	Dilesh Roadlines Private Limited	831	0.01	0	0.00
25	Heena Family Private Trust	0	0.00	83,385	7.70
26	Valiant Organics Limited	0	0.00	20,240	1.87
27	Bhanu Pradip Savla	13,072	0.17	0	0.00
28	Late Shantilal Tejshi Shah	0	0.00	1,70,898	15.79

- (iv) **Details of Group Company:** The Company has one group company namely Aarti HPC Limited, a wholly owned subsidiary company. Aarti HPC Limited was incorporated on December 26, 2019. The Authorized Share Capital of the Company is ₹ 10,00,000 divided into 1,00,000 Equity Shares of ₹ 10 each and Paid-up Share Capital of the Company is ₹ 50,000 divided into 5,000 Equity Shares of ₹ 10 each.

(f) **Details of ten largest Shareholders as on June 30, 2022:**

Equity Shareholders:

Sr. No.	Name of Equity Shareholder	No. of Equity Shares	%
1	Jaya Chandrakant Gogri	11,36,216	14.98
2	Nikhil Holdings Private Limited	5,53,874	7.30
3	Rashesh Chandrakant Gogri	3,83,438	5.06
4	Hetal Gogri Gala	2,61,553	3.45
5	Saswat Trusteeship Private Limited	2,50,000	3.30
6	Anushakti Enterprise Private Limited	2,49,250	3.29
7	Padmika Projects LLP	2,46,037	3.24
8	Dhiren Kishore Shah	1,21,075	1.60
9	Parimal Hasmukhlal Desai	1,06,646	1.41
10	Mulraj Chandulal Gala	1,01,756	1.34

Redeemable Preference Shareholders:

Sr. No.	Name of RPS Holder	No. of RPS	%
1	Sarla Shantilal Shah	1,92,588	17.79
2	Late Shantilal Tejshi Shah	1,70,898	15.79
3	Nehal Garewal	1,16,613	10.77
4	Heena Family Private Trust	83,385	7.70
5	Nikhil Parimal Desai	78,101	7.22
6	Bhanumati Mohanlal Savla	60,789	5.62
7	Bhavna Shah Lalka	51,394	4.75
8	Ratanben Premji Gogri	37,799	3.49
9	Shantilal Tejshi Shah HUF	36,914	3.41
10	Heena Bhatia	31,533	2.91

- (g) **Details of Promoter:** Shri Chandrakant V. Gogri and Shri Parimal H. Desai are Promoters of the Company. Brief details of the Promoters are set forth below:

1. **Chandrakant Vallabhaji Gogri**

Address:1801 Richmond Towers, Cliff Avenue, Near Hiranandani School, Hiranandani Gardens, Powai IT, Powai Mumbai - 400076.

Education, Qualification and Experience: He is a Chemical Engineer from UDCT, Mumbai. He is the founder of Aarti Group. A varied experience encompassing Projects, Operations, Process Development and Local & International Marketing, in the Chemical Industry. He had been awarded the prestigious "DISTINGUISHED ALUMNUS AWARD" from UDCT (ICT) in the year 1995 for excellent performance as Entrepreneurs in Chemical Industry.

2. **Parimal Hasmukhlal Desai**

Address: A-1403, Runwal Heights, L.B.S. Road, Opp. Nirmal Lifestyle, Mulund West, Mumbai 400080

Education, Qualification and Experience: He holds a bachelor's degree in Chemical Engineering from UDCT, Mumbai. He has more than 38 years of experience in development and project implementation in the chemical industry.

(h) **Details of Board of Director of the Company:**

Name	DIN	Designation	Age	Experience	Positions held in other Firms / Companies
Mr. Mulesh Manilal Savla	07474847	Chairman & Independent Director	57	He has vast experience of more than 30 years in Taxation, Accounts and Finance, structuring, restructuring of entities	Directorship <ul style="list-style-type: none">Valiant Organics Limited Partners <ul style="list-style-type: none">Shah and Savla LLPMM Savla Financial Services
Mr. Nikhil Parimal Desai	01660649	Managing Director	44	15 years of experience in the field of Project Management, Information Technology, Vendor Management, Process Improvement, Business Management & Strategy.	Directorship <ul style="list-style-type: none">Aarti HPC LimitedNikhil Holdings Private LimitedSulochna and Nandini Welfare Foundation Partners <ul style="list-style-type: none">Dezav Creation Studio LLPPashima Enterprises LLP

Name	DIN	Designation	Age	Experience	Positions held in other Firms / Companies
Mr. Chandrakant Vallabhaji Gogri	00005048	Non – Executive Director	76	Expert in areas of encompassing Projects, Operations, Process Development, Local & International Marketing in the Chemical Industry.	Directorship <ul style="list-style-type: none">Alchemie Financial Services LimitedAnushakti Enterprise Private LimitedCrystal Millennium Realtors LimitedSaswat Trusteeship Private LimitedAarti Nature Care Private LimitedKJF Shelters FoundationKJF Manavta-Ni-Mahek FoundationParakh Hospitals Private Limited Partners <ul style="list-style-type: none">Gogri Enterprises LLPAlchemie IndustriesGenesis Unichem LLPDhanvallah Ventures LLPAkansha Unichem LLPGogri Ventures LLPAakansha Pharmachem LLPAashay Ventures LLPDhaval Realtors (India) LLPAar Em ventures LLPMalhar RealtorsCrystal Millennium AssociatesHighscale Ventures LLPShyam Gopal DevelopersSumukh DevelopersVinayak Reltors
Mr. Dattatray Sidram Galpalli	01853463	Non – Executive Director	62	Rich Experience of working since last 40 years' in various Chemical Industries producing speciality chemicals & intermediates for Agrochemicals, Pharmaceuticals, pigments and dyes.	Nil
Ms. Misha Bharat Gala	08523865	Independent Director	32	A young and dynamic Board Member - by qualification Chartered Accountant, brings Industry trends perspective and forms requisite diversity in the Board.	Nil
Mr. Santosh Madharaao Kakade	08505234	Executive Director	51	25 years of rich experience in the field of Plant Operations, Process development, SCM and General Management.	Directorship <ul style="list-style-type: none">Aarti HPC Limited

- (i) **Business Overview and Strategy:** The Company was incorporated as Arti Surfactants Limited on June 18, 2018 under the Companies Act, 2013 vide CIN: L24100GJ2018PLC102891, as a Wholly Owned Subsidiary of Aarti Industries Limited and having its Registered Office at 801, 801/23, GIDC Estate, Phase III Vapi Valsad, Gujarat 396195, India. The name was changed to Aarti Surfactants Limited and a fresh Certificate of Incorporation consequent upon change of name was issued on July 8, 2019 by the Registrar of Companies, Ahmedabad, Gujarat.

Aarti Surfactants Limited is a producer of ionic and non-ionic and specialty surfactants. The Company primarily caters to the Home and Personal Care (HPC) industry with a wide range of innovative and high-quality products. (Non-ionic surfactants are those that can be used with high salinity or hard water, and are compatible with other types, and are excellent candidates for complex mixtures with low toxicity levels). The Company produces customized and eco-friendly surfactants, processed with high-quality materials which find application in varied industries, including home care, personal care, hair care, and others.

- (j) **Reason for the Scheme:** The scheme entails rationale of the demerger as under:

Aarti Industries Limited basically has 3 (three) business verticals (i.e. specialty chemicals, pharmaceuticals and home and personal care chemicals) with divergent business profile, growth potential, risk-rewards, regulatory and capital requirements and are largely independent of each other. The home and personal care chemicals business, which constitutes of the Home and Personal Care Undertaking, is currently not ROE (return on equity) accretive. Therefore, in order to create overall value for the shareholders, the management has decided to restructure the home and personal care chemicals business by transferring the Home and Personal Care Undertaking into Aarti Surfactants Limited. The shareholders of Aarti Industries Limited, pursuant to the demerger, will be provided with an option to subscribe either to the equity shares or Redeemable Preference Shares (as defined hereinafter) of the Company.

- The demerger will also result in Aarti Industries Limited and the Company achieving operational efficiencies by streamlining of the relevant businesses.
- The demerger of the Home and Personal Care Undertaking from the Aarti Industries Limited would allow the management of the Company to focus and adopt relevant strategies necessary for the turning around, and promoting growth and expansion of the Home and Personal Care Undertaking; and
- By demerger of the Home and Personal Care Undertaking into the Company, the financial resources will be conveniently raised in accordance with the requirement of the business, leading to optimum utilization of resources towards expansion and growth of the business of the Company.

(k) Financial statements for the previous three years prior to the date of listing: The Financial Statements of the Company for last 3 years is published on the website of the Company www.aarti-surfactants.com and available on the link viz., <https://www.aarti-surfactants.com/annual-report.htm>

The abridged Consolidated balance sheet and statement of profit & loss for last 3 years is given below:

Abridged Balance Sheet:

(₹ In Lakhs)

Particulars	FY 2019-20	FY 2020-21	FY 2021-22
Assets			
1. Non-Current Assets			
(a) Property, Plant and Equipment	15,013.97	18,590.40	17,222.30
(b) Intangible Assets	121.44	84.08	46.71
(c) Capital Work-in-Progress	1,395.26	1,974.45	5,205.56
(d) Financial Assets			
Other Investments	0.03	0.03	0.03
Other Financial Assets	-	203.11	239.96
(e) Other Non-Current Assets	262.39	261.59	27.79
Total Non-Current Assets	16,793.06	21,113.66	22,742.35
2. Current Assets			
(a) Inventories	5,648.84	7,318.98	7,482.44
(b) Financial Assets			
(i) Trade Receivables	1,791.99	5,443.20	5,446.70
(ii) Cash and Cash Equivalents	10.48	673.24	142.91
(iii) Loans	-	34.04	19.59
(iv) Other Financial Assets	36.45	360.89	1,474.10
(c) Other Current Assets	1,948.12	3,708.41	2,815.84
(d) Current Assets (Net)	-	-	118.27
Total Current Assets	9,435.88	17,538.76	17,499.85
Total Assets	26,228.97	38,652.42	40,242.20
Equity and Liabilities			
1. Equity			
(a) Equity Share Capital	758.45	758.45	758.45
(b) Other Equity	10,336.51	12,506.57	12,833.32
Total Equity	11,094.96	13,265.02	13,591.77
Liabilities			
1. Non-Current Liabilities			
(a) Financial Liabilities			
Borrowings	4,877.93	8,049.01	10,537.17
(b) Deferred Tax Liabilities (Net)	762.06	891.55	1,208.25
Total Non-Current Liabilities	5,639.99	8,940.56	11,745.42
2. Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	6,017.89	7,144.61	5,614.59
(ii) Trade Payables Due to			
- Micro and Small Enterprises	-	-	-
- Other Than Micro and Small Enterprises	1,924.40	7,810.67	7,017.27
- Others	-	555.36	825.91
(b) Other Current Liabilities	1,098.53	516.84	553.64
(c) Provisions	402.40	380.96	893.60
(d) Current Tax Liabilities (Net)	50.80	38.40	-
Total Current Liabilities	9,494.02	16,446.84	14,905.01
Total Liabilities	15,134.01	25,387.40	26,650.43
Total Equity and Liabilities	26,228.97	38,652.42	40,242.20

Abridged Profit and Loss Account:

(₹ In Lakhs)

Particulars	FY 2019-20	FY 2020-21	FY 2021-22
I. Revenue from operations	32,586.40	46,577.03	57,551.70
II. Other income	20.90	5.90	29.05
III. Total Revenue (I + II)	32,607.30	46,582.93	57,580.75
IV. Expenses			
(a) Cost of Materials Consumed	24,837.93	35,615.36	46,287.46
(b) Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	-107.39	-477.20	-732.82
(c) Employee Benefits Expense	1,430.34	1,570.17	1,799.35
(d) Finance Costs	1,027.95	1,044.02	1,066.68
(e) Depreciation / Amortization Expenses	1,057.55	1,221.07	1,244.57
(f) Other Expenses	4,066.40	5,318.11	6,983.62
Total Expenses (IV)	32,312.78	44,291.53	56,648.86
V. Profit / Loss before Exceptional Items and Tax (III-IV)	294.52	2,291.40	931.89
VI. Exceptional Items	-	-	-
VII. Profit/(Loss) before Tax (V-VI)	294.52	2,291.40	931.89
VIII. Tax Expenses			
(a) Current Tax	51.54	50.00	65.71
(b) Mat Credit Entitlement	-51.54	-	-
(c) Deferred Tax	85.91	77.95	316.70
Total Tax Expenses	85.91	127.95	382.41
IX. Net Profit / Loss for the period After Tax (VII-VIII)	208.61	2,163.45	549.48
X. Other Comprehensive Income			
a. Items that will not be reclassified to Statement of Profit and Loss			
- Fair Value of Investment (Net of Tax)	-895.2	-	-
- Remeasurement of defined employee benefit plans (Net of Tax)	-	6.61	4.80
b. Items that will be reclassified to Statement of Profit and Loss			
XI. Total Comprehensive Income for the Year (IX+X)	-686.59	2,170.06	554.28
Earnings Per Equity Share of Face Value ₹ 10 Each (EPS) (in ₹)			

Particulars	FY 2019-20	FY 2020-21	FY 2021-22
Basic	2.75	28.53	7.25
Diluted	2.75	28.53	7.25

The abridged Standalone balance sheet and statement of profit & loss for last 3 years is given below:

Abridged Balance Sheet:

(₹ In Lakhs)

Particulars	FY 2019-20	FY 2020-21	FY 2021-22
Assets			
1. Non-Current Assets			
(a) Property, Plant and Equipment	15,013.97	18,590.40	17,222.30
(b) Intangible Assets	121.44	84.08	46.71
(c) Capital Work-in-Progress	1,395.26	1,974.45	4,758.79
(d) Financial Assets			
(i) Investment in Subsidiary	0.50	0.50	0.50
(ii) Other Investments	0.03	0.03	0.03
(iii) Other Financial Assets	-	203.11	232.29
(e) Other Non-Current Assets	262.39	261.59	27.79
Total Non-Current Assets	16,793.59	21,114.16	22,288.41
2. Current Assets			
(a) Inventories	5,648.84	7,318.98	7,482.44
(b) Financial Assets			
(i) Trade Receivables	1,791.99	5,443.20	5,446.70
(ii) Cash and Cash Equivalents	9.23	672.57	140.86
(iii) Loans	-	34.79	473.06
(iv) Other Financial Assets	37.20	360.89	1,474.10
(c) Current Tax Assets (Net)	-	-	118.27
(d) Other Current Assets	1,948.12	3,708.41	2,811.65
Total Current Assets	9,435.38	17,538.84	17,947.08
Total Assets	26,228.97	38,653.00	40,235.49
Equity and Liabilities			
1. Equity			
(a) Equity Share Capital	758.45	758.45	758.45
(b) Other Equity	10,337.01	12,507.75	12,835.07
Total Equity	11,095.46	13,266.20	13,593.52
Liabilities			
1. Non-Current Liabilities			
(a) Financial Liabilities			
Borrowings	4,877.93	8,049.01	10,537.17
(b) Deferred Tax Liabilities (Net)	762.06	891.55	1,208.25
Total Non-Current Liabilities	5,639.99	8,940.56	11,745.42
2. Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	6,017.89	7,144.61	5,614.59
(ii) Trade Payables Due to			
- Micro and Small Enterprises	-	-	-
- Other Than Micro and Small Enterprises	1,924.41	7,810.67	7,009.30
- Others	-	555.36	825.91
(b) Other Current Liabilities	1,098.52	516.84	553.64
(c) Provisions	401.90	380.36	893.11
(d) Current Tax Liabilities (Net)	50.80	38.40	-
Total Current Liabilities	9,493.52	16,446.24	14,896.55
Total Liabilities	15,133.51	25,386.80	26,641.97
Total Equity and Liabilities	26,228.97	38,653.00	40,235.49

Abridged Profit and Loss Account:

(₹ In Lakhs)

Particulars	FY 2019-20	FY 2020-21	FY 2021-22
I. Revenue from operations	32,586.40	46,577.03	57,551.70
II. Other income	20.90	5.90	29.05
III. Total Revenue (I + II)	32,607.30	46,582.93	57,580.75
IV. Expenses			
(a) Cost of Materials Consumed	24,837.93	35,615.36	46,287.46
(b) Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	-107.39	-477.20	-732.82
(c) Employee Benefits Expense	1,430.34	1,570.17	1,799.35
(d) Finance Costs	1,027.95	1,044.04	1,066.60
(e) Depreciation / Amortization Expenses	1,057.55	1,221.07	1,244.57
(f) Other Expenses	4,065.90	5,317.41	6,983.13
Total Expenses (IV)	32,312.28	44,290.85	56,648.29
V. Profit / Loss before Exceptional Items and Tax (III-IV)	295.02	2,292.08	932.46
VI. Exceptional Items	-	-	-
VII. Profit/(Loss) before Tax (V-VI)	295.02	2,292.08	932.46
VIII. Tax Expenses			
(a) Current Tax	51.54	50.00	65.71
(b) Mat Credit Entitlement	-51.54	-	-
(c) Deferred Tax	85.91	77.95	316.70
Total Tax Expenses	85.91	127.95	382.41
IX. Net Profit / Loss for the period After Tax (VII-VIII)	209.11	2,164.13	550.05
X. Other Comprehensive Income			
a. Items that will not be reclassified to Statement of Profit and Loss			
- Fair Value of Investment (Net of Tax)	-895.20	-	-
- Remeasurement of defined employee benefit plans (Net of Tax)	-	6.61	4.80
b. Items that will be reclassified to Statement of Profit and Loss			
XI. Total Comprehensive Income for the Year (IX+X)	-686.09	2,170.74	554.85
Earnings Per Equity Share of Face Value ₹ 10 Each (EPS) (in ₹)			
Basic	2.76	28.53	7.25
Diluted	2.76	28.53	7.25

(l) Latest audited financials along with notes to accounts and any audit qualifications: The latest audited financial statements along with notes to accounts is published on the website of the Company viz., www.aarti-surfactants.com and available in the link viz., <https://www.aarti-surfactants.com/annual-report.htm>.

(m) Change in accounting policies in the last three years and their effect on profits and reserves: Nil

(n) Summary table of contingent liabilities as disclosed in the restated financial statements:

(₹ In Lakhs)						
Particulars	Standalone			Consolidated		
	FY 2019-20	FY 2020-21	FY 2021-22	FY 2019-20	FY 2020-21	FY 2021-22
Claims against the company not acknowledged as Debt - Unpaid	1,002.02	884.01	884.01	1,002.02	884.01	884.01
Claims against the company not acknowledged as Debt - Paid (under dispute)	250.54	260.42	250.53	250.54	260.42	250.53
Letter of Credit, Bank Guarantees	-	11.74	49.24	-	11.74	49.24

(o) Summary table of related party transactions in last 3 years as disclosed in the financial statements:

(₹ In Lakhs)

Particulars	Standalone			Consolidated		
	FY 2019-20	FY 2020-21	FY 2021-22	FY 2019-20	FY 2020-21	FY 2021-22
Key Management personnel and their relatives						
Remuneration paid	74.83	117.00	132.53	74.83	117.00	132.53
Sitting Fees	0.38	1.25	2.12	0.38	1.25	2.12
Investment in Aarti HPC Limited	0.50	-	-	-	-	-
Loan to Aarti HPC Limited	-	-	452.72	-	-	-
Advance to Aarti HPC Limited	0.75	-	-	-	-	-
Post-Employment Benefit Trust						
Contribution during the year	-	19.00	11.99	-	19.00	11.99

(p) Details of other group companies including their capital structure and financial statements: The Company is having one group company namely Aarti HPC Limited, a wholly owned subsidiary company.

a) Share Capital Structure of Aarti HPC Limited, Wholly Owned Subsidiary of Company

Equity Share Capital:	(Amount in ₹)	
Particulars	No. of Shares	As at March 31, 2022
Authorized Share Capital		
Equity Shares of ₹ 10/- each	1,00,000	10,00,000
Issued, Subscribed & Paid up		
Equity Shares of ₹ 10/- each fully paid up	5,000	50,000

b) Financial Information of Aarti HPC Limited, Wholly Owned Subsidiary of Company as on March 31, 2022:

(₹ In Lakhs)

Revenue	Nil
Other Expenses	56,221
Profit Before Tax	-56,221
Profit After Tax	-56,221
Total Comprehensive Income For The Year	-56,221
Earnings Per Equity Share (EPS) (in ₹) Basic/Diluted	-11.24

(q) Internal Risk Factors:

- We are subject to increasingly stringent environmental, health and safety laws, regulations and standards. Non-compliance with and adverse changes in health, safety, labour, and environmental laws and other similar regulations to our manufacturing operations may adversely affect our business, results of operations and financial condition.
- We are required to obtain, renew or maintain statutory and regulatory permits, licenses and approvals to operate our business and our manufacturing facility, and any delay or inability in obtaining, renewing or maintaining such permits, licenses and approvals could result in an adverse effect on our results of operations.
- We operate in a competitive business environment. Competition from existing players and new entrants and consequent pricing pressures could have a material adverse effect on business growth and prospects, financial condition and results of operations.
- Our operations may be adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.
- Failures in internal control systems, plan SOP's could cause operational errors which may have an adverse impact on our profitability.
- Technology failures could disrupt our operations and adversely affect our business operations and financial performance.
- The financial impact of COVID-19 has had, and is expected to continue to have, an adverse effect on our liquidity, and we continue to monitor and assess our access to appropriate sources of liquidity in order to sustain our business throughout this crisis, and there can be no assurance that additional liquidity from other sources will be available to us on favorable terms, or at all.

(r) Outstanding litigations and defaults of the Company, promoters, directors or any of the group companies: There are no outstanding litigations against our Company, our Directors, our Promoters, or our Group Company that would have a material adverse effect on our business.

(s) Regulatory Action, if any - disciplinary action taken by SEBI or Stock Exchanges against the Promoters in last 5 financial years: Not Applicable

(t) Brief details of outstanding criminal proceedings against the Promoters: Not Applicable

(u) Particulars of high, low and average prices of the shares of the listed transferor entity i.e. Aarti Industries Limited during the preceding three years: The Transferor Company does not have any preference shares listed on the Stock Exchanges. However, high, low and average price details of equity shares of Aarti Industries Limited are available on the website of the Stock Exchanges.

(v) Material development after the date of balance sheet:

The material development after the date of balance sheet i.e., March 31, 2022 includes the following:

Sr. No.	Particulars	Date of Event/ Effective Date
1	BSE In-Principle approval for listing of 10,82,387 RPS of ₹ 10/-	06.04.2022
2	Approval for Reclassification of Promoter received from BSE & NSE	05.05.2022
3	Appointment of Ms. Priyanka Chaurasia as Company Secretary & Compliance Officer of the Company	04.08.2022
4	Fourth Annual General Meeting of the Company	05.08.2022
5	Re-appointment of Mr. Nikhil Parimal Desai (DIN: 01660649) as Managing Director	05.08.2022
6	Re-appointment of Mr. Santosh Kakade (DIN: 08505234) as an Executive Director	05.08.2022
7	NSE In-Principle approval for listing of 10,82,387 RPS of ₹ 10/-	30.08.2022

(w) Such other information as may be specified by the Board from time to time: Not Applicable

This Notice is also available on the website of the Company i.e. at www.aarti-surfactants.com.

For Aarti Surfactants Limited

Sd/-

Priyanka Chaurasia

Company Secretary & Compliance Officer

Date : 08.09.2022

Place : Mumbai