

Aarti Industries Ltd.

Large deals to offset negatives of COVID disruptions

Net Sales from on-going business of Aarti Industries declined by 0.9% YoY owing to decline in speciality chemical and pharma revenue of 0.4% & 3% YoY respectively during Q4FY20. Gross margins fell by 72bps YoY to 48.3%. EBITDA margins reported at 20.3% vs 22.0% in Q4FY19 because of operating deleverage. Other expenses stood at 20.7% in Q4FY20 as against 18.8% in Q4FY19. PAT declined by 11.9% to Rs1,104mn in Q4FY20. However, the full year fiscal performance of FY20 is far better. The company reported revenue and EBITDA growth of 0.4% & 1.3% respectively in FY20. EBITDA margins reported minor expansion of 19bps to 23.3% in FY20. PAT reported agrowth of 8.4% to Rs5,468mn in FY20.

Pharma business to witness 15-20% growth in the next 2-3 years

- The company is increasing its capacity into various segments in API business to cater to large volumes. The off patented approach is paying off well to drive growth going ahead.
- Management has guided for 15-20% growth on the back of increased volumes from API segment. De-bottlenecking in caffeine business which will increase its presence further into key markets.
- EBIT margins stood at 17.4% in Q4FY20 vs 13.0% in Q4FY19 owing to higher contribution from regulated markets and value-added products.

Speciality chemicals margins impacted in Q4FY20 due to shortage of key raw material

- Speciality chemicals business reported almost flattish revenue of Rs9835mn in Q4FY20 as compared to YoY.
- EBIT margins stood at 17.5% in Q4FY20 as compared to 21.7% in Q4FY19 because of shortage of key raw material nitric acid which led to huge spike in prices. However, the business works on cost plus model and increase in the raw material price hike would be passed on by Q2FY21.

Large deals to cushion revenue impact of COVID-19 and lockdown

- The company signed 2 large deals of Rs40bn and Rs100bn which will kick start from FY21E.
- The annual revenues from both the deals would be around Rs9bn and blended margins to be around 21-22%.
- We believe these deals will help cushion the revenue downfall which will be witnessed from speciality chemical business in FY21E owing to lockdown.

Valuation

- The stock is trading at FY22E P/E of 23.6x on FY22E earnings basis.
- We value the stock on a forward PE multiple of 24x and arrive at target price of 1002 per share which offers 1.9% upside from current valuations.
- Hence, we assign **HOLD** rating on the stock.

Y/E Mar (Rs mn)	Q4FY20	Q4FY19	YoY (%)	Q3FY20	QoQ (%)
Net sales	10,762	11,411	-5.7%	10,836	-0.7%
Operating costs	8,573	8,904	-3.7%	8,294	3.4%
EBITDA	2189	2507	-12.7%	2542	-13.9%
EBITDA Margin (%)	20.3%	22.0%	(163) bps	23.5%	(312) bps
Depreciation	493	455	8.3%	470	4.8%
Interest	340	438	-22.3%	287	18.4%
Other income	4	0	-	4	13.5%
PBT	1361	1614	-15.7%	1788	-23.9%
Provision for tax	257	343	-25.0%	361	-28.7%
PAT	1103	1271	-13.2%	1427	-22.7%

*Q4FY20 numbers are not comparable with Q4FY19 owing to demerger of HPC business

Y/E Mar (Rs mn)	Revenue	YoY (%)	EBITDA	EBITDA (%)	Adj PAT	YoY (%)	FDEPS (Rs)	RoE (%)	RoCE (%)	P/E (x)	EV/EBITDA (x)
FY18	38,061	20%	6,991	18.4%	3,330	5%	20.5	20.1	12.6	23.3	14.8
FY19	41,676	9%	9,651	23.2%	4,917	48%	30.2	18.1	13.5	22.4	18.7
FY20	41,863	0%	9,773	23.3%	5,361	9%	30.8	17.4	13.3	32.0	19.4
FY21E	41,715	0%	10,225	24.5%	5,036	-6%	28.9	14.7	11.8	34.0	19.2
FY22E	55,427	33%	13,884	25.0%	7,270	44%	41.7	18.3	14.6	23.6	18.2

Source: Company, EISEC Research Estimates



East India Securities Ltd
Excellent | Investment | Solutions

Rating: **HOLD** Upside/(Downside): **1.9%**
Current Price: **983** Target Price: **1002**

| Market data

Bloomberg:	ARTO IN
52-week H/L (Rs):	1192 / 668
Mcap (Rs bn/USD bn):	171 / 2.28
Shares outstanding (mn):	174.2
Free float:	27.4%
Avg. daily vol. 3mth (3M Avg – in '000):	408
Face Value (Rs):	5
Group:	S&P BSE 500

Source: Bloomberg, EISEC Research

| Shareholding pattern (%)

	Mar-20	Dec-19	Sep-19	Jun-19
Promoter	47.2	48.3	48.3	48.9
FIIs	8.3	7.5	7.7	7.8
DIIIs	16.6	16.6	16.4	15.9
Public/others	27.4	27.6	27.3	27.4

Source: BSE

| Price performance (%)*

YE Mar (R)	1M	3M	12M	36M
S&P BSE 500	-2.4	-22.8	-24.1	-10.5
Aarti Industries	9.0	1.1	12.5	143

*as on 28th May 2020; Source: AceEquity, EISEC Research

Aditya Khetan

Equity Research Analyst
+91 22 6192 5343
adityak@eisec.com

Awanish Chandra

Head of Research
+91 22 6192 5345
awanishc@eisec.com

Analyst call highlights:

- **Demand outlook:** Management has stated that demand of speciality chemicals is impacted due to COVID-19 and lockdown. However, the company also caters to essential businesses which remain insulated in this lockdown. As per management, the company's 60% contribution of end user is for pharma, agrochemicals, fertilizers, FMCG etc which had no or minimal impact in the lockdown. Remaining 40% which accounts for paints, pigments, auto and defense has the major impact as it is classified as non-essentials in lockdown.
- **Capex plans:** The management stated that the capex for FY21 will be Rs10bn in addition to the capitalized amount of Rs14.17bn in FY20. The major capex spends is in the chlorination and NCB business in the speciality chemical business. In the pharma segment the company is increasing its API capacities.
- **Pharma segment to be the growth driver:** The management is quite positive for the next 1-2 years in the pharma business. The company is increasing its capacities and focussing on improving product mix towards high margin segments which will increase its presence in key regulated markets and improve the growth going ahead. The management expects growth of 15-20% for next 1-2 years alongwith improving margins.
- **Large deals signed to kick off from FY21:** The company has signed 3 large deals which will kick off from FY21E contributing incremental Rs90bn to the topline. Management has said there seems to be no delay in the commissioning in the projects and expected to commercialize on time in FY21.
- **Flat profitability guidance for FY21:** In spite of COVID-19 breakout and lockdown issues hampering the demand, the management of the company has given flattish earnings guidance in FY21. This is because of incremental revenues from the large deals which will kick off from this year which and cushion the revenue downfall from the speciality chemicals segment.
- **Shortage of key raw material:** In Q4FY20, there was shortage of key raw material nitric acid which led to spike in prices and impacted the production of finished goods. The company also imports aniline from foreign countries and in the wake of COVID-19 there seems to be supply disruption in aniline as well.
- **Declining crude oil impact:** With the recent sell off witnessed in crude oil prices to record lows, we expect absolute turnover of the company might come down particularly in the speciality chemical business but the margins are expected to be stable owing to increased focus in value added segments liked PDA and Nitro-toluene. Also, the company has cost plus model wherein the decline/increase in crude prices is passed on to the end user industries with a lag of 3-6 months. Management stated that benzene prices crashed to Rs 30-35/kg from Rs 50-55/kg with decline in crude prices.
- **High cost inventory write-offs in Q1FY21:** The company always maintain finished goods inventory of 90-120 days so that it is adequately covered with stock to cater the increasing demand. With sudden drop in crude prices, the company is stuck with high cost inventory and management expects to take a write-off in Q1FY21.
- **Volume numbers for Q4FY20:** PDA – 370 TPM, Nitrotoluene – 2850 TPM, NCB – 14,700 TPA and Hydrogenation – 2315 TPM.

Valuation and Recommendations

The stock is trading at FY22E P/E of 23.6 and FY22E EV/EBITDA of 18.2x. We value the stock on P/E multiple valuation.

We value the stock on forward multiple of 24x and arrive at target price of 1002 per share which offers 1.9% upside from current valuations. We assign **HOLD** rating on the stock.

Risk to our call is substantial decline in demand than anticipated, unforeseen impact of COVID-19 on the chemical sector which could impact earnings, increasing the lockdown and substantial volatility in crude oil prices.

Fig 1: 1-year forward P/E chart



Source: AceEquity, EISEC Research

Fig 2: 1-year forward EV/EBITDA chart



Source: AceEquity, EISEC Research

Quarterly financials, operating metrics and key performance indicators

Fig 3: Consolidated Quarterly Financials

Y/E March (Rs mn)	Q1FY19	Q2FY19	Q3FY19	Q4FY19	Q1FY20	Q2FY20	Q3FY20	Q4FY20
Net Sales	11330	13265	12760	11411	11355	10768	12185	10762
Raw Materials	6685	7866	7399	5978	6042	5514	6652	5561
Employee Costs	567	584	626	778	695	740	832	785
Other Expenditure	2079	2183	2205	2148	2117	1973	2158	2226
EBITDA	2000	2633	2531	2507	2501	2541	2542	2189
Depreciation	410	417	437	455	432	457	470	493
Interest	470	518	420	438	310	311	287	340
Other Income	0	7	40	0	25	56	4	4
PBT	1120	1706	1715	1614	1784	1829	1788	1361
Tax	202	320	318	343	365	311	361	257
Tax rate (%)	18	19	19	21	20	17	20	19
Reported PAT	918	1386	1397	1271	1419	1518	1427	1104
Minority Interest	0	-43	-60	-19	-38	-42	-29	0
Adjusted PAT	918	1343	1337	1253	1381	1476	1398	1104
Y-o-Y Growth (%)								
Revenue	43.1	49.4	28.9	10.9	0.2	-18.8	-4.5	-5.7
EBITDA	44.5	64.3	42.4	39.1	25.1	-3.5	0.4	-12.7
PAT	45.7	71.1	48.2	47.9	50.4	9.9	4.6	-11.9
Q-o-Q Growth (%)								
Revenue	10.1	17.1	-3.8	-10.6	-0.5	-5.2	13.2	-11.7
EBITDA	11.0	31.6	-3.9	-1.0	-0.2	1.6	0.1	-13.9
PAT	8	46.2	-0.4	-6.3	10.3	6.8	-5.2	-21.1
Margin (%)								
EBITDA	17.7	19.8	19.8	22.0	22.0	23.6	20.9	20.3
PAT	8.1	10.1	10.5	11.0	12.2	13.7	11.5	10.3

Source: AceEquity, EISEC Research, Note: Financials beyond Q4FY19 are not comparable owing to demerger of HPC business

Fig 4: Key Assumptions

Operating Details	FY18	FY19	FY20	FY21E	FY22E
Speciality Chemicals Revenue (in mn)	29855	39797	38650	34481	48274
YoY Change (%)	29	33	-2.9	-10.8	40
Pharmaceuticals Revenue (in mn)	5562	7258	7557	9409	10453
YoY Change (%)	31	30	4	25	11

Source: Company, EISEC Research Estimates, Note: Key assumptions mentioned above are gross revenues

Financial Statements

Profit & Loss	FY18	FY19	FY20	FY21E	FY22E
YE March (Rs mn)					
Revenues	38,061	41,676	41,863	41,715	55,427
% Growth	20.3	9.5	0.4	-0.4	32.9
Raw Materials	21,815	21,566	20,563	19,550	26,734
% of sales	57.3	51.7	49.1	46.9	48.2
Employee	1,901	2,428	3,052	3,365	3,604
% of sales	5.0	5.8	7.3	8.1	6.5
Other Expenses	7,353	8,030	8,474	8,575	11,205
% of sales	19.3	19.3	20.2	20.6	20.2
EBITDA	6,991	9,651	9,773	10,225	13,884
EBITDA Margin %	18.4	23.2	23.3	24.5	25.0
Depreciation	1,462	1,627	1,852	2,483	2,947
EBIT	5,529	8,024	7,921	7,743	10,936
Finance cost	1,317	1,825	1,248	1,455	1,589
PBT from operatio	4,212	6,199	6,673	6,287	9,347
Other Income	78	21	88	89	91
PBT	4,290	6,220	6,762	6,376	9,438
Tax-Total	829	1,178	1,294	1,211	1,982
Tax Rate (%)	19.3	18.9	19.1	19.0	21.0
Reported PAT	3,461	5,042	5,468	5,165	7,456
Extraordinary item	0	0	0	0	0
Minority Interest	-132	-124	-107	-129	-186
Adjusted PAT	3,330	4,917	5,361	5,036	7,270
PAT Margin	8.7	11.8	12.8	12.1	13.1
% Growth	5.4	47.7	9.0	-6.1	44.4

Source: Company, EISEC Research Estimates

Key Ratios	FY18	FY19	FY20	FY21E	FY22E
YE March					
Growth ratios (%)					
Revenue	20	9	0	0	33
EBITDA	7	38	1	5	36
Adjusted PAT	5	48	9	-6	44
Margin Ratios (%)					
EBITDA	18.4	23.2	23.3	24.5	25.0
PBT from operations	11.1	14.9	15.9	15.1	16.9
Adjusted PAT	8.7	11.8	12.8	12.1	13.1
Return Ratios (%)					
ROE	20.1	18.1	17.4	14.7	18.3
ROCE	12.6	13.5	13.3	11.8	14.6
Turnover Ratios (days)					
Gross block turnover ratio (x)	1.9	1.9	1.7	1.3	1.5
Debtors	63	68	66	70	70
Inventory	125	131	148	190	195
Creditors	60	47	61	80	70
Cash conversion cycle	128	151	153	180	195
Solvency Ratio (x)					
Net debt/equity	1.1	0.5	0.5	0.5	0.4
Debt-equity	1.2	0.8	0.6	0.6	0.5
Interest coverage ratio	4	4	6	5	7
Gross debt/EBITDA	2.7	2.2	1.9	1.9	1.4
Current Ratio	1.1	1.3	1.0	1.3	1.6
Per share Ratios (Rs)					
Adjusted EPS	20.5	30.2	30.8	28.9	41.7
BVPS	102	156	176	197	228
Dividend payout %	24	19	11	12	10
Valuation (x)					
P/E (adjusted)	23.3	22.4	32.0	34.0	23.6
P/BV	4.7	4.3	5.6	5.0	4.3
EV/EBITDA	14.8	18.7	19.4	19.2	18.2
Dividend yield %	1.2	1.4	0.6	0.6	0.7

Source: Company, EISEC Research Estimates

Balance Sheet	FY18	FY19	FY20	FY21E	FY22E
YE March (Rs mn)					
Equity Share Capital	407	436	871	871	871
Reserves & Surplus	16148	26712	29863	33418	38828
Shareholders' Fund	16555	27147	30734	34289	39699
Long Term Borrowings	9083	8148	5808	9826	9899
Deferred Taxes Liabilities	1774	1930	2110	2300	2500
Other Non Current Liabilities	640	2032	5509	5900	6200
Total Liabilities	28051	39258	44161	52315	58298
Net Block	19962	21454	24676	32193	37246
Capital WIP	4362	7946	14176	9898	4949
Goodwill	17	13	9	9	9
Long term Investments	472	332	370	415	476
Other Non Current Assets	2252	3064	4045	4588	4870
Total Non Current Asset	27066	32808	43276	47103	47550
Inventories	7473	7718	8357	8965	10730
Other Current Fin Asset	2248	1907	1357	2002	2660
Trade receivables	6548	7760	7534	8000	10630
Cash and cash equivalent	321	8042	2473	3434	4872
Other current assets	260	344	328	345	458
Total Current Assets	16849	25771	20049	22746	29350
Current Borrowings	10125	12908	12297	9580	9965
Trade payables	3575	2793	3452	3775	3852
Other current liabilities	1853	3196	3016	3562	4125
Short term Provisions	310	424	399	617	660
Total Current Liabilities	15863	19322	19164	17534	18602
Net Current Assets	986	6449	885	5212	10748
Total Assets	28051	39258	44161	52315	58298

Source: Company, EISEC Research Estimates

Cash Flow	FY18	FY19	FY20	FY21E	FY22E
YE March (Rs mn)					
Operating profit before WC changes	6,970	9,661	9,757	10,185	13,788
Changes in working capital	-2,633	-992	2,902	-698	-4,035
Tax Paid	-988	-1307	-1638	-1211	-1982
Cash flow from operations	3,349	7,362	11,021	8,276	7,771
Adj. OCF (OCF - Interest)	2,033	5,537	9,773	6,820	6,182
Capex	-4,481	-4,224	-5,061	-10,000	-8,000
Adj. FCF	-2,448	1,312	4,712	-3,180	-1,818
Cash flow from investments	-6,104	-7,970	-11,241	-5,766	-3,112
Cash flow from financing	2,791	8,329	-5,349	-1,548	-3,222
Net change in cash	36	7,721	-5,569	961	1,438

Source: Company, EISEC Research Estimates

Disclaimer

East India Securities Limited (hereinafter EISEC), a publically listed company, registered as Research Analyst with SEBI (Registration No. INH300003231). EISEC is engaged in broking services, distribution and marketing of financial products, and in the normal course of business, EISEC prepares and shares research data and reports periodically with clients, investors, stake holders and general public in compliance with Securities and Exchange Board of India Act, 1992, Securities And Exchange Board Of India (Research Analysts) Regulations, 2014 and/or any other applicable directives, instructions or guidelines issued by the Regulators from time to time.

Research report is a written or electronic communication that includes research analysis, research recommendation or an opinion concerning securities or public offer, providing a basis for investment decisions. The views expressed therein are based solely on information available publicly/internal data/other reliable sources believed to be true. The information is provided merely as a complementary service and do not constitute an offer, solicitation for the purchase or sale of any financial instruments, inducement, promise, guarantee, warranty, or as an official confirmation of any transactions or contract of any kind.

Research data and reports published/ emailed/ text messaged via Short Messaging Services, Online Messengers, WhatsAppetc/transmitted through mobile application/s, including but not limited to FLIP™, Video Widget, telephony networks, print or electronic media and or those made available/uploaded on social networking sites (e.g. Facebook, Twitter, LinkedIn etc) by EISEC or those recommendation or offers or opinions concerning securities or public offer which are expressed as and during the course of "Public Appearance" are for informational purposes only. The reports are provided for assistance and are not intended to be and must not alone be taken as the basis for an investment decision. The user assumes the entire risk of any use made of this information. Though disseminated to clients simultaneously, not all clients may receive the reports at the same time. EISEC will not treat recipients as clients by virtue of their receiving this report.

The reports include projections, forecasts and other predictive statements which represent EISEC's assumptions and expectations in the light of currently available information. These projections and forecasts are based on industry trends, circumstances and factors which involve risks, variables and uncertainties. The actual performance of the companies represented in the report may vary from those projected. The projections and forecasts described in this report should be evaluated keeping in mind the fact that these-

- are based on estimates and assumptions
- are subject to significant uncertainties and contingencies
- will vary from actual results and such variations may increase over a period of time
- are not scientifically proven to guarantee certain intended results
- are not published as a warranty and do not carry any evidentiary value.
- are not based on certain generally accepted accounting principles
- are not to be relied on in contractual, legal or tax advice.

Prospective investors and others are cautioned that any forward-looking statements are not predictions and may be subject to change without notice. Reports based on technical analysis is focused on studying charts of a stock's price movement and trading volume, as opposed to focusing on a company's fundamentals and as such, may not match with a report on a company's fundamentals.

Though we review the research reports for any untrue statements of material facts or any false or misleading information, , we do not represent that it is accurate or complete and it should not be relied on in connection with a commitment or contract whatsoever. Because of the possibility of human, technical or mechanical error by our sources of transmission of Reports/Data, we do not guarantee the accuracy, adequacy, completeness or availability of any information and are not to be held responsible for any errors or omissions or for the results obtained from the use of such information. EISEC and/or its Affiliates and its officers, directors and employees including the analysts/authors shall not be in any way responsible for any indirect, special or consequential damages that may arise to any person from any inadvertent error in the information contained in the reports nor do they take guarantee or assume liability for any omissions of the information contained therein. Information contained therein cannot be the basis for any claim, demand or cause of action. These data, reports and information do not constitute scientific publication and do not carry any evidentiary value whatsoever.

The reports are not for public distribution. Reproduction or dissemination, directly or indirectly, of research data and reports of EISEC in any form is prohibited except with the written permission of EISEC. Persons into whose possession the reports may come are required to observe these restrictions. Opinions expressed therein are our current opinion as of the date appearing on the report only. Data may be subject to update and correction without notice. While we endeavour to update on a reasonable basis the information discussed in the reports, there may be regulatory, compliance, or other reasons that prevent us from doing so.

The reports do not take into account the particular investment objectives, financial situations, risk profile or needs of individual clients. The user assumes the entire risk of any use made of this information. Each recipient of the reports should make such investigation as deemed necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in such reports (including the merits and risks involved).

Certain transactions - futures, options and other derivatives as well as non-investment grade securities - involve substantial risks and are not suitable for all investors. Investors may lose his/her entire investment under certain market conditions. Before acting on any advice or recommendation in this material, investors should consider whether it is suitable for their particular circumstances and, if necessary, seek professional advice. The price and value of investments referred to in research reports and the income from them may fluctuate. Transaction costs may be significant in option strategies calling for multiple purchase and sales of options. Foreign currencies denominated securities are

subject to fluctuations in exchange rates that could have an adverse effect on the value or price of or income derived from the investment. Investors in securities such as ADRs, the value of which are influenced by foreign currencies effectively assume currency risk.

The recommendations in the reports are based on 12 month horizon, unless otherwise specified. The investment ratings are on absolute positive/negative return basis. It is possible that due to volatile price fluctuation in the near to medium term, there could be a temporary mismatch to rating. For reasons of valuations/return/lack of clarity/event we may revisit rating at appropriate time. The stocks always carry the risk of being upgraded to buy or downgraded to a hold, reduce or sell. The opinions expressed in the reports are subject to change but we have no obligation to tell our clients when our opinions or recommendations change. The reports are non-inclusive and do not consider all the information that the recipients may consider material to investments. The reports are issued by EISEC without any liability/undertaking/commitment on the part of itself or any of its entities.

Recipients of the research reports should assume that entities of EISEC may receive commission, brokerage, fees or other compensation from the company or companies that are the subject of the reports. We and our affiliates, officers, directors, and employees, including persons involved in the preparation or issuance of reports/data/material, may, from time to time have 'long' or 'short' positions in, act as principal in, and buy or sell the securities thereof of companies mentioned therein or be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as market maker in the financial instruments of the company/ies discussed therein or act as advisor or lender/borrower to such company/ies or have other potential conflicts of interests with respect to any recommendation and related information and opinions.

We further undertake that-

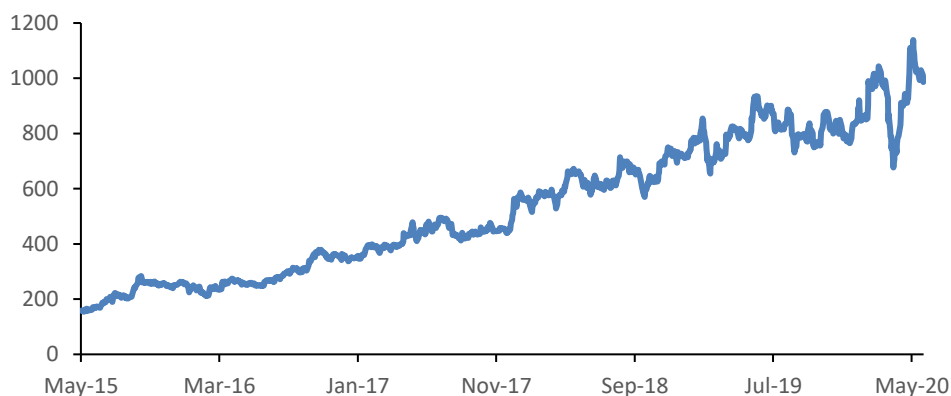
- No disciplinary action has been taken against the research analyst or EISEC by any authority in connection with their respective business activity.
- EISEC, Research analysts, persons reporting to research analysts and their relatives may have financial interests and material conflict of interest in the subject company.
- EISEC, Research analysts, persons reporting to research analysts and their relatives may have actual/beneficial ownership of 1% or more in the subject company's securities, at the month immediately preceding the date of publication of this research report.

Past performance is not a guide for future performance, future returns are not guaranteed and investors may suffer losses which may exceed their original capital.

The securities described herein may not be eligible for sale in all jurisdictions or to all categories of investors. The countries in which the companies mentioned in this report are organized may have restrictions on investments, voting rights or dealings in securities by nationals of other countries. Distributing/taking/sending/dispatching/transmitting this document in certain foreign jurisdictions may be restricted by law, and persons into whose possession this document comes should inform themselves about, and observe any such restrictions. Failure to comply with this restriction may constitute a violation of any foreign jurisdiction laws.

The user should consult their own advisors to determine the merits and risks of investment and also read the Risk Disclosure Documents for Capital Markets and Derivative Segments as prescribed by Securities and Exchange Board of India before investing in the Indian Markets.

Aarti Industries Ltd.



Source: ACEEquity, EISEC Research

Analyst holding in stock: **NO**

Key to EISEC Investment Rankings

Buy: Upside by >15%, Accumulate: Upside by 5% to 15%, Hold: Downside/Upside by -5% to +5%, Reduce: Downside by 5% to 15%, Sell: Downside by >15%

East India Securities Ltd. (<http://www.eisec.com/>)

Office: - 201, Garnet Palladium, Pandit Motilal Nehru Marg, Panch Bawadi, Behind Express Zone, Malad East, Mumbai – 400097

Disclosure of Interest Statement		
1	Business activities of East India Securities Ltd (EISEC)	East India Securities Ltd (hereinafter referred to as "EISEC") is a registered member of NSE (All Segments), MCX-SX (Currency Derivatives Segment) and BSE (All segments), Depository Participant of NSDL & CDSL.
2	Details of Disciplinary History of EISEC	EISEC has not been debarred/ suspended by SEBI or any other regulatory authority from accessing or dealing in securities market on behalf of clients.
3	Registration status of EISEC:	EISEC is registered with SEBI as a Research Analyst (SEBI Registration No INH300003231)
		Aarti Industries Ltd.
4	Whether Research analyst's or relatives' have any financial interest in the subject company and nature of such financial interest	No
5	Whether Research analyst or relatives have actual / beneficial ownership of 1% or more in securities of the subject company at the end of the month immediately preceding the date of publication of the document.	No
6	Whether the research analyst or his relatives has any other material conflict of interest	No
7	Whether research analyst has received any compensation from the subject company in the past 12 months and nature of products / services for which such compensation is received	No
8	Whether the Research Analyst has received any compensation or any other benefits from the subject company or third party in connection with the research report	No
9	Whether Research Analysts has served as an officer, director or employee of the subject company	No
10	Whether the Research Analyst has been engaged in market making activity of the subject company.	No
11	Whether it or its associates have managed or co-managed public offering of securities for the subject company in the past twelve months;	No
12	Whether it or its associates have received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months;	No
13	Whether it or its associates have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months;	No

Member (NSE and BSE)

Single SEBI Regn No.: INZ000190836

Research Analyst

SEBI Registration No. INH300003231

Website: www.eisec.com

Investor Grievance Email ID: mail@eisec.com

Compliance Officer Details:

Sumeet Kejriwal 033-40205901; Email ID: sumeetk@eisec.com

East India Securities Ltd. (CIN: U67120WB1995PLC072026)	
Registered Office Address DA-14, Saltlake City, Sector-1, Kolkata-700064	Corporate Office & Correspondence Address 201, Garnet Palladium, Pandit Motilal Nehru Marg, Panch Bawadi, Behind Express Zone, Malad East, Mumbai – 400097