Management Discussion and Analysis

Global Economy

The year 2017 witnessed 3.7% global economic growth, which was the fastest since 2011. The growth was broad-based with two-thirds of the countries witnessing faster growth as compared to the previous year. These countries together accounted for about three-fourths of the total global output. Advanced economies experienced recovery in investment demand which aided global growth. In emerging nations, Asia witnessed strong growth. Large exporter economies such as Germany, Japan, the United Kingdom (UK), the United States (US), and emerging Asia contributed to the recovery in exports. The recovery in imports was broad-based, except in the UK.

Global growth (in %)

Particulars	2016	2017	2018P	2019P
World output	3.2	3.7	3.9	3.9
Advanced economies	1.7	2.4	2.4	2.2
US	1.5	2.3	2.9	2.7
Euro Area	1.8	2.4	2.2	1.9
Japan	1	1.7	1	0.9
UK	1.8	1.7	1.4	1.5
Other advanced economies*	2.3	2.7	2.8	2.7
Emerging Markets and Developing Economies	4.4	4.7	4.9	5.1
China	6.7	6.9	6.6	6.4
India	7.1	6.7	7.3	7.5

*Excludes the G7 (Canada, France, Germany, Italy, Japan, United Kingdom, United States) and euro area countries

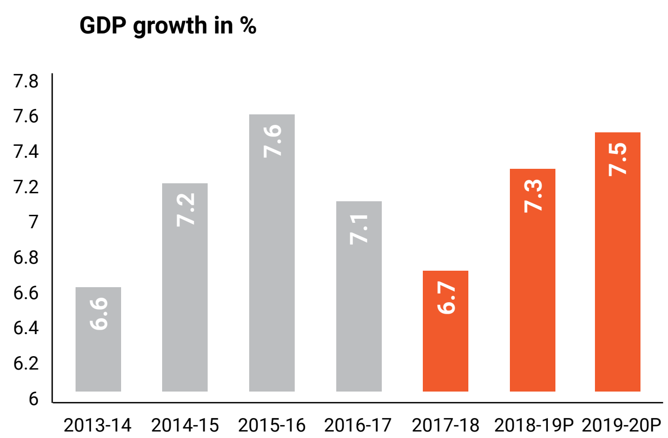
P= Projections

Source: IMF

Indian Economy

The year under review started on a slow note impacted by GST implementation, after-effects of demonetisation and implementation of Insolvency and Bankruptcy Code (IBC). However, the second half of FY 2017-18, witnessed a strong rebound in economic activity on the back of a turnaround in investment demand, acceleration in manufacturing, pick-up in capacity utilisation, strong activity in the services sector and a record agricultural harvest. The growth pick-up in second half diluted the impact of slow growth in the first half. India's GDP at constant prices is expected to grow by more than 7% in FY 2018-19 & FY 2019-20 as per provisional estimates issued by the Central Statistics Organisation (CSO).

India's GDP performance



P= Projections

Source: CSO, IMF

India has persevered with structural reforms over a wide area ranging from a flexible inflation targeting framework for monetary policy; liberalisation of FDI flows; a unique identification backed Direct Benefit Transfers; an Insolvency and Bankruptcy Code; the GST; realty reforms; and a swathe of measures for improvement in the Ease of Doing Business more generally. These factors have improved India's global ranking in the World Bank's Ease of Doing Business.

In the last four years, India gained a 20-place boost in the World Economic Forum's (WEFR) Global Competitiveness rankings. According to IMF, the Indian economy is expected to grow at an annual rate of 7.3% in FY 2018-19 and 7.5% in FY 2019-20. The growth is expected to gradually rise with continued implementation of structural reforms that raise productivity and incentivise private investment.

Industry Overview

Speciality Chemicals are known for end-use performance enhancing applications rather than their composition. They are recognised for "what they do" rather than "what they are" as in the case of basic chemicals. They provide solutions to customer applications, are knowledge-based and are known to deliver more financial returns as compared to basic chemicals. They are a blend of base chemicals and sold on the basis of their quality or utility, rather than product composition or brand. They are relatively high value, but low volume chemicals as compared with basic chemicals or commodity chemicals.

Since speciality chemicals are mainly used to add value to the finished product, they are primarily sold on a B2B (Business to Business) basis. Speciality chemicals can be further divided into various sub-segments on the basis of end-use applications. The major sub-segments are 1) Agro-chemicals, 2) Colourants, 3) Construction chemicals, 4) Flavours & Fragrances, 5) Paints & Coatings, 6) Personal care, 7) Polymer & additives, 8) Surfactants, 9) Textile chemicals, and 10) Water treatment chemicals.

Speciality Chemicals classification

Source: JM Financial Institutional Securities Limited

While each sub segments have its own rationale for demand and growth, a higher growth is expected in the fields of Agrochemicals, Water treatment chemicals, Polymer additives and Construction chemicals.

Global Speciality Chemicals market

Over the past few decades, various countries has led the speciality chemicals business at different time periods. US led the industry after World War II until the late 1980s, manufacturing chemicals for use in oil field services, electronics, plastics, etc. Gradually, Europe took over and dominated the business mainly through exports, while the US and Japan remained key producers. However, with trade liberalisation, technology transfer, reduction in economic barriers and rapid economic growth in developing countries, the speciality chemicals industry expanded rapidly in Asia, with China contributing a major part of this expansion. The high growth seen in China's speciality chemicals industry may be attributed to low labour costs, low energy and regulatory costs (compared to developed markets) and a highly-developed basic chemicals segment. Although, China has witnessed strong growth in the speciality chemicals segment, significant regulatory issues by way of higher pollution, labour reforms, etc. has increased the costs in China. India, on the other hand, would be able to emerge as a fast-growing speciality chemicals hub on account of its low capital and operating cost competencies, availability of feed stock and skilled manpower, better manufacturing standards and compliance of regulatory frameworks, stronger IP protection, etc.

As per Grand View Research, the global speciality chemicals market was estimated at US$ 1.16 Tn in 2016 and is expected to grow at a CAGR of 5.6% over 2017 to 2025, to reach US$ 1.79 Tn by 2025. Globally, speciality chemicals are driven by extensive product research and innovation, which is a significant differentiator over the commoditised chemical industry. Low cost labour and vast raw material resources are contributing to the increased growth in the Asia-Pacific region, as foreign players are investing in emerging nations.

(Source: Grand View Research, Global Market for Speciality Chemicals, Ahmedabad Management Association)

Gradual shift in preference as a major chemical supplier from China to India

The Speciality Chemicals manufacturers in China are facing raw material shortage, rising energy costs, higher labour costs and incremental effluent treatment and compliance charges. China's weaker cost competitiveness in international trade and product disruption due to wheeling of large manufacturing plants are contributing to slowdown in the Chinese chemicals industry and its exports. India, a known alternative hub for chemicals could bag a multi-year exports opportunity. China's prolonged self-imposed slowdown offers a much longer window of at least a few years for Indian chemicals peers to establish themselves in the international market by building global clients and ultimately tapping the export opportunity.

Source: Indian Speciality Chemicals – A multi-year multiplying Opportunity, Phillip Capital

Indian Speciality Chemicals market

India is the 6th largest producer and the 6th largest consumer of chemicals worldwide. The Speciality Chemicals industry in India represents a US$ 25 Bn market, growing at 14% over the last five years led by domestic consumption, growing faster than the chemical sector as a whole. The industry serves both the local market and the global market. The key speciality segments in India are agrochemicals, paints, coating and construction chemicals, colourants, fine chemicals, personal care chemicals and aroma chemicals. The critical success factors for most of the speciality chemical segments include understanding of customer needs and product/application development to meet the same at a favourable price-performance ratio. Global firms are gradually facing the heat of compliance, cost and capacity issues in other markets, especially China, and are thus looking to outsource their manufacturing processes to India. The structural shift towards Indian speciality chemical players is ably supported by the Government in the form of a robust patent framework, the presence of appropriate regulations to protect intellectual capital, improvement in infrastructure and thrusts to promote investments in R&D, as well as green technologies and a rich pool of knowledge workers.

Opportunity and outlook

India has remained in China's shadow for a long time in the global chemical speciality market. However, gradually it is emerging out of with its own structural benefits and the spillover effect of China's declining competitiveness. The factors driving the growth of the speciality chemicals market include large base of end-use industries, high demand from Asia-Pacific, increasing demand from automotive industry, and technological advancements. Over and above, faster end-use industry growth, low penetration of speciality chemicals in India will support growth. Exponential growth expectations led by favourable macro-economic factors in pharmaceutical, personal and home care products also presents a humungous growth opportunity for associated speciality chemicals manufacturers. According to TSMG-FICCI, speciality chemicals industry could grow 13%, leading to a market size of US$ 52 Bn by 2020.

Company Overview

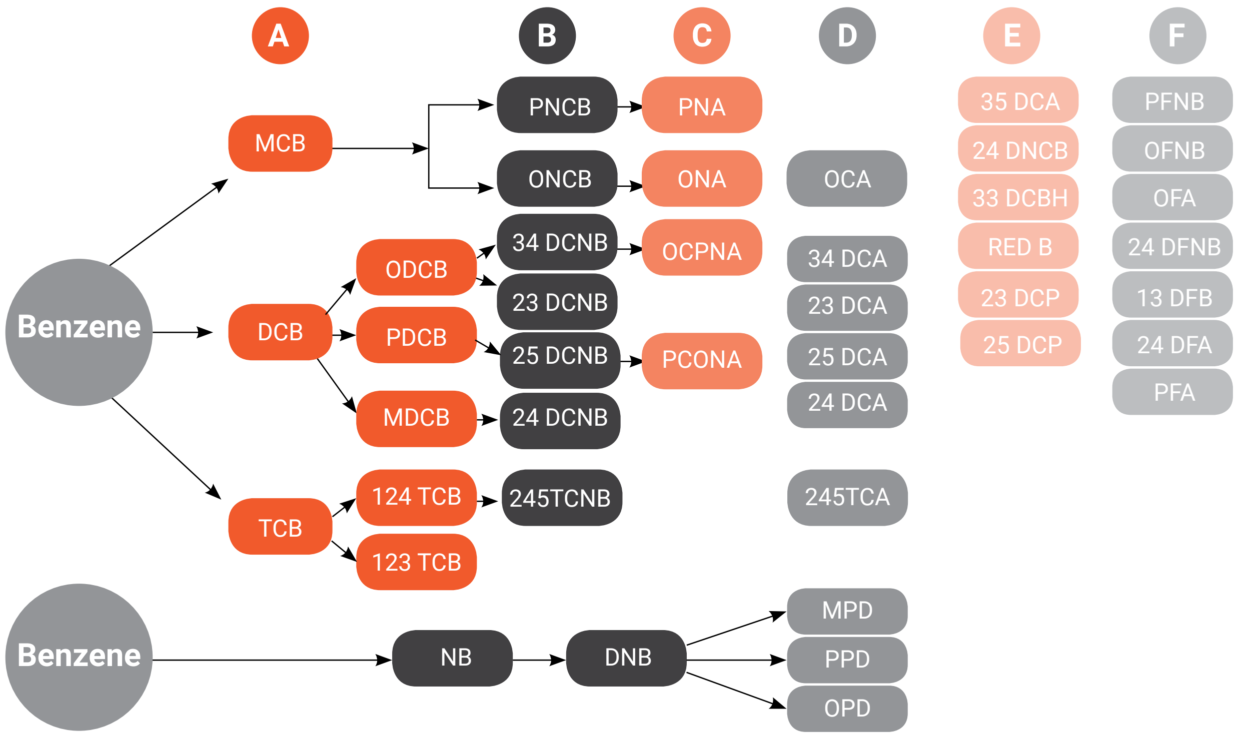
Aarti Industries Limited (hereafter referred to as your Company) which commenced operations in 1984 is promoted by first generation technocrats. Over the years, your Company has emerged as a leading Indian manufacturer of Speciality Chemicals and Pharmaceuticals with a global footprint. It operates primarily in three segments, namely, speciality chemicals, pharmaceuticals and home and personal care. Speciality Chemicals is the major revenue-generating segment of your Company contributing approximately 78% of sales. The other segments i.e. pharmaceuticals and home & personal care, contribute approximately 15% and approximately 7% of sales respectively. Your Company has established itself as one of the most competitive benzene-based speciality chemical companies in the world. Your Company has integrated itself across the benzene chain and manufactures a variety of products from benzene. Your Company globally ranks between 1st and 4th position for 75% of its speciality chemical portfolio and is considered as "Partner of Choice" for various major global and domestic customers.

Your Company has a wide portfolio of over 200 products serving more than 700 domestic customers. Your Company is a strong exporter having relationships with over 300 export customers spread across the globe in 60 countries with major presence in US, Europe, China and Japan. Your Company serves leading consumers across the globe of Speciality Chemicals and Intermediate for Agro Chemicals, Aromatics, Dyes, Fuel Additives, Pharmaceuticals, Pigments, Polymer Additives,Printing Inks, Surfactants and various other speciality chemicals.

Business model and value-chain

A larger part of your Company's speciality chemicals segment comprises benzene derivatives. It is the largest producer of benzene derivatives in India and one of the leading manufacturers globally. Your Company's global market share in various products ranges between 25-40%.

Our Benzene-based Value Chain



A Chlorination (Ranked amongst top 3 globally)

B Nitration (Ranked amongst top 4 globally)

C Ammonolysis (Ranked amongst top 2 globally)

D Hydrogenation (Ranked amongst top 2 globally)

E Others

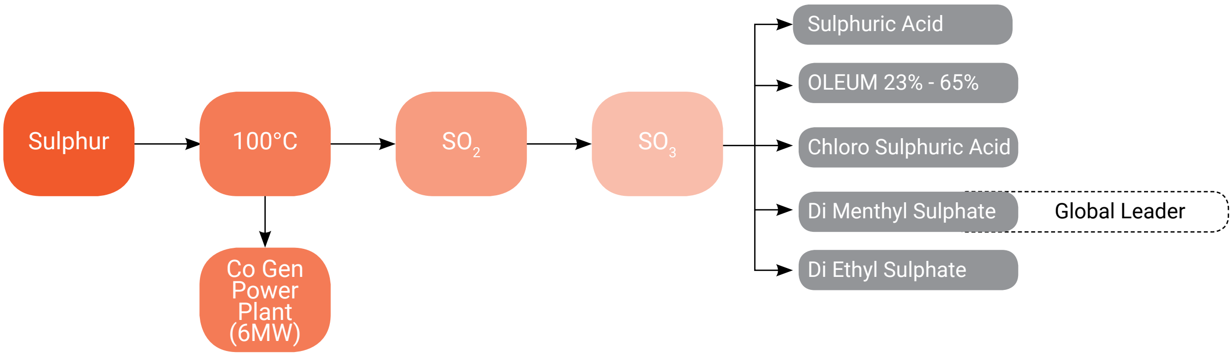
F Halex Chemistry (Only Player in India)

Benzene derivates finds a diversified end-user base with varied applications. Agrochemical is the largest industry for your Company having about 25-30% share of speciality chemical sales. Polymers, Pigments and Dyes constitute about 15-20% each. Incidentally, India is among the top four producers of agrochemicals (after China, US, and Japan) and second-largest producer of dyes and pigments in the world. Your Company has leveraged locational cost advantage and has emerged as the only integrated global scale manufacturer of benzene derivatives.

Your Company has expanded its chemistry skills for a variety of other processes so as to balance the demand for co products and move up the value chain for better margin downstream products. These include chlorination, where your Company is the third-largest player globally; nitration where it is fourth in the world; ammonolysis where it is second globally; hydrogenation where it is second largest in the world and fluoro compounding where it is the only player in India.

Your Company manufactures a host of other chemicals including Sulphuric Acid & derivatives, Single Super Phosphate (Fertiliser), Export Grade Calcium Chloride Granules (for Oil Exploration & De-icing), Fuel Additives and Phthalates.

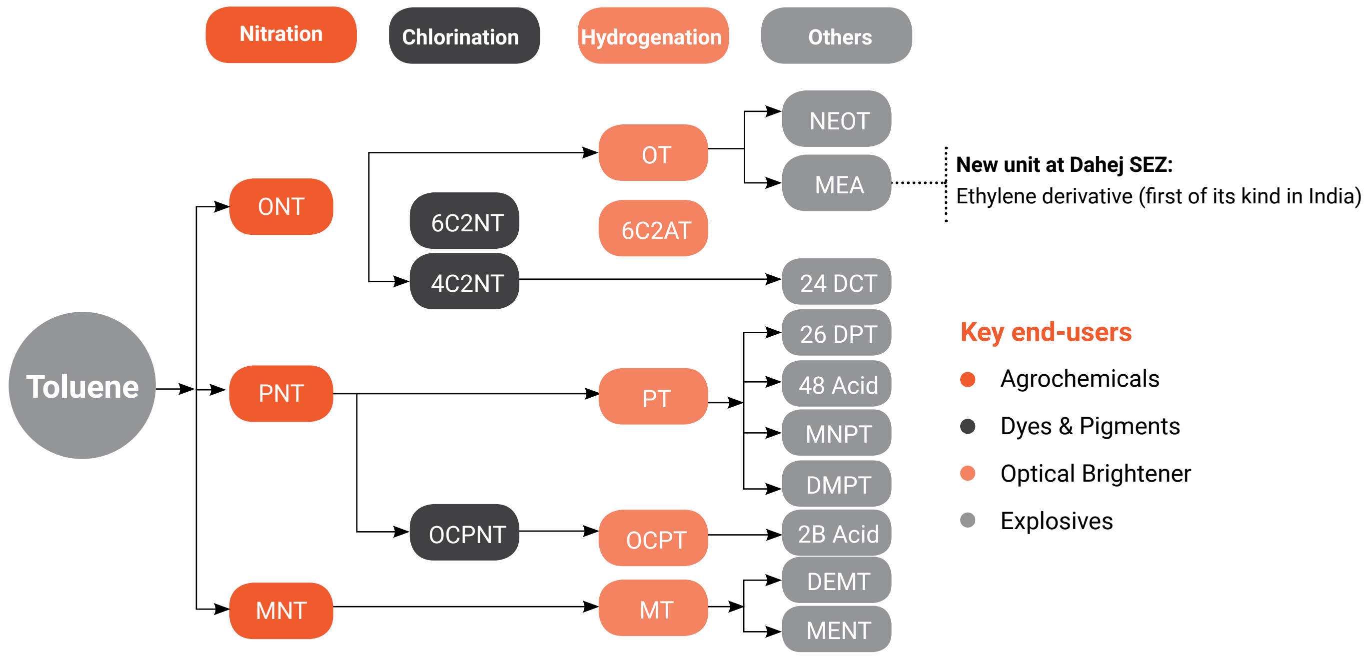
Sulphuric Acid and Derivatives



- Single Super Phosphate (Fertiliser)
- Export Grade Calcium Chloride Granules (for Oil Exploration & De-icing)
- Fuel Additives
- Phthalates

In addition to the growth in Benzene-based derivatives, your Company has further diversified into toluene chain of products. It set up its greenfield ethylation unit, marking an entry into ethylene-based chemistry in FY 2016-17, entailing an investment of around ₹ 110 Crs. Subsequently, it also commissioned its backward integration into Nitro Toluenes, to not only feed into its captive Ethylation product chain, but also be sold in the markets as a major import substitution.

Toluene-based Value Chain



The ethylation unit was set up by adopting Swiss technology at the Dahej SEZ, thereby making it the first ever Company to procure ethylene by a pipeline and operate a greener ethylation process.

Since the major customer profile as well as the end-user industries are the same, your Company is further poised to leverage its well-established clientele to promote its toluene derivatives. Your Company further plans to introduce gradually a range of Toluene and Ethylene-based chemicals catering to end-user applications of agrochemicals, engineering polymers, pigments, and additives.

Your Company is also in the process of identifying and developing technologies in niche chemistries like condensation, fluorination via HF, alkylation, cyclisation etc.

Company's Strengths

- **Established long-standing relationships:** Your Company has a diversified product portfolio with over 200 products serving close to 1,000 global & domestic customers. Your Company's multi product, multi geography and multi industry approach reduces risk in revenue due to diversification. This coupled with better manufacturing practices, high quality standard norms, timely delivery and compliance to regulations, has led to the transformation of your Company from a Speciality Chemical supplier to the "Partner of Choice" for a majority of big domestic and global customers.

- **Integrated Operations on a Global Scale:** Your Company operates on an extensively integrated model. Your Company ensures efficient utilisation of by-products, by using them as intermediaries of other chemical reactions or converting them into commercially saleable products. Your Company is the only global entity backward and forward-integrated, in its range of chemicals and also across various value chains. This enables it to provide one-stop strategic supplies to a large number of leading global downstream customers.

- **Wide array of Growth Opportunities:** Your Company has wide array of growth opportunities due to its presence across various end-use applications and a larger customer base. Your Company currently exports nearly 45% of its products at various locations including North America, Europe, China and Japan. Further to that, various companies are looking forward towards India as an manufacturing hub. In the given circumstances, your Company becomes an natural partner of choice due its well diversified and robust business model.

- **De-risked Portfolio:** Your Company has a diversified portfolio of products serving a variety of end-user industries like Agrochemicals, Cattle Feed, FMCG, Dyes, Flavours & Fragrances, Food Ingredients, Oil & Gas, Optical Brighteners, Pharmaceuticals, Pigments, Polymers and Additives, Printing Inks, Rubber Chemicals etc. Your Company's diversified approach, both in terms of the product as well as geography, enables it to serve a large number of customers and reduces dependency on any single geography or customer. This approach has resulted in diversification in revenue stream with not even a single product or customer accounting for more than 8% of revenues.

- **R&D Innovation Programme:** Your Company is a knowledge-driven Company with a benchmark R&D programme. It operates three state-of-the-art R&D centres, one for Speciality Chemicals and the other for Pharmaceutical APIs. Your Company capitalises on superior technological capabilities through know-how transfer resulting in several differentiated processes/ chemistries. Your Company constantly strives to develop niche value-added products and processes. This enables it to provide superior quality products to its customers and obtain better yield from its processes earning better returns. Your Company's innovation programme has enabled it to move towards downstream products and co-product/isomer balancing- expanding operations towards higher value chemical processes. The enriching product mix coupled with economies of scale has further added to the earning efficiency of the various value chains. To further enhance its R&D capabilities, your Company is in the process of setting up a new R&D and Scale-up centre in Navi Mumbai, which is expected to be operational in 2019. This R&D centre will have dedicated lab for Process Safety, Effluent Treatment, Flow chemistry, Kilo Lab, High-pressure reactors etc. This R&D centre, at full strength will host around 250 scientists and engineers. The centre is aimed at developing high-end value-added products and chemistries to enable create niche market opportunities.

Key financial and operational performance

Financial performance

(₹ in Crs)

Key Financials	FY18	FY17	FY16
Sales	2,985	2,569	2,430
% of Total Sales	78.4%	81.2%	80.8%
Export	1,409	1,294	1,223
% of Segment Sales	47.2%	50.4%	50.3%
Segment EBIT	581	566	504
EBIT%	19.5%	22.0%	20.7%

Revenues in Speciality Chemicals segment were up 16% YoY to ₹ 2,985 Crs in FY 2017-18. Volumes in the segment grew by 9%. There was higher revenue contribution from the direct linkage and pass-through of raw material price to the customers. Your Company clocked production of about 68,800 MT of Nitro Chloro Benzene (NCB) as against 63,700 MT in the previous year. Your Company thus achieved about

92% capacity utilisation and is looking at the next level of capacity expansion for these products.

Your Company's capex plan is on track with an investment of about ₹ 613 Crs in FY 2017-18 including an investment of ₹ 55 Crs for acquisition of land for expansion projects and proposed new R&D centre. Further, in respect of the Nitro toluene facility commissioned at Jhagadia during Q2 FY 2017-18, had achieved a capacity utilisation of over 40% during Q4 FY 2017-18.

Your Company during FY 2017-18 had entered into two long-term multi-year supply contracts. First one, being a 10-year contract with a global agricultural Company to supply a high value agrochemical intermediary for use in herbicides. The supplies are expected to commence from 2nd half of FY 2019-20 and would generate expected revenues of approximately ₹ 4,000 Crs over the contract term. The project will entail investment of about ₹ 400 Crs by your Company.

The second one being the case where your Company had entered into a 20-year contract with a global chemical conglomerate to supply a high value speciality chemical intermediate. The supplies are expected to commence from calendar year 2020 and would generate expected revenues of approximately ₹ 10,000 Crs over the contract term. With this deal, your Company is set to enter a new chemistry range, first-of-its-kind in India. Your Company will be investing US$ 35-40 Mn to setup a dedicated large-scale manufacturing facility for production of this intermediate and will be built on basic technology package received from the customer. As a part of the contract terms, the customer shall provide US$ 42 Mn as an advance to your Company which shall be then adjusted against the supplies in future. This shall help your Company reduce the net capital employed, enabling significant higher ROCE returns for the project.

Both these units are being set up in Dahej SEZ at Gujarat. Your Company has already acquired the land for the said purposes and is expected to start the constructions works soon. Your Company expects to be able to commission the said units within the expected timelines. Since these upcoming facilities will be a 100% export-oriented, your Company would also benefit from the tax benefits as applicable to the SEZ units.

Pharmaceuticals

Indian pharmaceutical sector is estimated to account for 3.1-3.6% of the global pharmaceutical industry in value terms and 10% in volume terms. It is expected to grow to US$ 100 Bn by 2025. The market is expected to grow to US$ 55 Bn by 2020, thereby emerging as the sixth largest pharmaceutical market globally by absolute size. Branded generics dominate the pharmaceuticals market, constituting to nearly 80% of the market share (in terms of revenues). India's pharmaceutical exports stood at US$ 16.8 Bn in FY 2016-17 and are expected to grow by 30% over the next three years to reach US$ 20 Bn by FY 2019-20, according to the Pharmaceuticals Export Promotion Council of India. Domestic pharmaceutical companies received more than 300 approvals in 2017 to launch generic drugs in the US, which is an all-time high. The clearances came despite regulatory pressure from the US Food and Drug Administration (USFDA), and unprecedented warning letters issued to the pharmaceutical companies' facilities. The final approvals for Indian players are up by nearly 43% from 211 in 2016, and constituted to about 40% of all global filings in the highly lucrative US$ 70 Bn US market.

Your Company is well placed to supply older/already off-patented generics in regulated markets, directly and indirectly, where few/restricted suppliers operate. With cGMP compliant plants meeting ICH Q7 standards enabling buyers to use API in all regulated markets and 48 commercial APIs with 33 EDMF, 28 US$MF and 16 CEP the segment is expected to post robust gains. Your Company has 12 new APIs under development. Your Company witnessed 60% exports coming from US and EU with 4 commercial products in US and several other awaiting partners' approval. Your Company owns backward integrated facilities for most APIs and enjoys distinct advantage of having dedicated US, Japan and EU approval for steroids and anti-cancer products. To further cement its unique standing your Company has initiated contract research and manufacturing services (CRAMS). CRAMS emphasises on tailored process development, scale-up and exclusive manufacturing for clients. Your Company also has an R&D Centre with focussed and dynamic team of scientists.

48 commercial APIs with

33 EDMF	28 USDMF	16 CEP

Financial performance

(₹ in Crs)

Key Financials	FY18	FY17	FY16
Sales	556	426	426
% of Total Sales	14.6%	13.5%	14.2%
Export	248	208	193
% of Segment Sales	44.6%	48.8%	45.3%
Segment EBIT	79	48	39
EBIT%	14.2%	11.3%	9.2%

The performance of Pharmaceutical segment has been gaining momentum, in line with our expectations, with revenue increasing by 31% in FY 2017-18 as compared to the previous year and EBIT increasing by over 65%. This has been enabled by improved business across various markets (specially the regulated markets) and also from significant operating leverage. The segment is expected to continue onto its growth momentum going ahead as well.

Home & Personal Care

Home & Personal care segment saw a robust improvement in topline. However, raw material supply constraints due to hurricane in the US in Q4FY 2017-18 impacted profitability.

Financial performance

(₹ in Crs)

Key Financials	FY18	FY17	FY16
Sales	264	168	150
% of Total Sales	6.9%	5.3%	5.0%
Export	34	21	15
% of Segment Sales	12.9%	12.5%	10.0%
Segment EBIT	3	1	(0.20)
EBIT%	1.1%	0.6%	-0.1%

The segment performance improved significantly on account of higher volumes and better product mix. While your Company continues to explore the demerger process, it continues to make concerted efforts to gain larger scale and drive sustained improvement in the business.

CAPEX Programmes/Investments

Your Company continues to invest in building manufacturing capabilities with thrust on Safety Health and Environment and plans to invest about ₹ 700-800 Crs for FY 2018-19. These investments by executing a multi-pronged expansion plan across multiple processes / products in a calibrated manner shall help elevate your Company to a next level of growth. The plan includes Speciality Chemical Complex at Jhagadia, Acid Reconcentration Plants, API and Pharma Intermediate de-bottlenecking and expansions at Vapi & Tarapur, R&D and innovation facility, capex for the ₹ 4,000 Crs multi-year deal and other speciality chemical based project initiatives.

Further, the Board of Directors of your Company had approved a Scheme of Arrangement for Demerger of Home & Personal Care segment of your Company into a separate listed entity, subject to various approvals. The segment has a low capital employed and contributes about 7% of the revenues of your Company, while its share on EBIT is less than 1%. This demerger shall help being more focussed on this business to improve the performance. It is also proposed to absorb the manufacturing division of Nascent Chemicals Industries Ltd into Aarti Industries Ltd. Nascent Chemicals Industries Ltd (Nascent) is an entity Incorporated in the year 1966 and having the business of manufacturing operations in Gujarat as well as Trading of Chemicals. Aarti Industries Limited (through its 100% subsidiary Aarti Corporate Services Ltd) holds 50.49% stake in Nascent. The manufacturing division of Nascent manufactures few speciality chemicals on behalf of Aarti Industries Limited under the conducting arrangement. These products are part of the integrated value chain of Speciality Chemicals of Aarti Industries Limited. For FY 2017-18, Nascent had reported the Gross revenue of ₹ 12.4 Crs for the manufacturing division and ₹ 9.6 Crs for the Trading division. The combined PAT for Nascent for FY 2017-18 was ₹ 5.7 Crs.

Risk and Mitigation

Risk	Mitigation measures
Regulatory risks Your Company operates in a number of global markets and is exposed to the risk of changing regulations	Your Company has remained cognizant of the importance of adopting Safety, Health and Environment (SH&E) norms. Your Company follows highest SH&E standards with an investment of more than ₹ 240 Crs in the last 5 years. Your Company also judiciously follows reduce-reuse-recover principle across all sites. To be in a favourable place with European nations, your Company has been REACH compliant since 2012.
Innovation risks Innovation is the key to success in the speciality chemicals market to ensure sustainable growth. Risk of redundancy and losing out to competition on account of poor R&D is a major overhang	Your Company is known to be a knowledge-driven Company with three R&D centres – one for speciality chemicals and two for pharmaceutical APIs. Since innovation is at the heart of Speciality Chemicals, your Company has been focussed on strengthening its technical skill-set around niche applications. Your Company has always been focussed on product innovation and has bagged many awards for innovation in the field of chemical engineering. Your Company's benchmark R&D programme comprises over 150 scientists. Its innovation programme stems from transfer of knowledge from strategic customer relationships. Strong R&D push, helps innovate specialised products with unique features and generate high margins. We are coming up with a new R&D centre and Scale-up unit at Navi Mumbai which will house around 250 scientists and will facilitate the further enhancement of product portfolio.

Risk	Mitigation measures
Forex risks Being exposed to a significant number of geographies, your Company deals in a number of currencies and runs the risk of unfavourable movement in any currency leading to financial losses	Around 45% of your Company's revenue is contributed through exports. Majority of global sales are US$ dominated reducing the risk of cross currency volatility. Your Company keeps a close watch on rupee movement and enters hedging contracts of maturities ranging from 3 months to 3 years to protect committed business.
Raw material risks Your Company runs the risk of issue in availability of raw materials and fluctuation in raw material prices	Your Company has fostered long-standing relationships with its suppliers to ensure steady availability of raw materials at competitive prices. Your Company follows a RM-plus pricing mechanism for its various speciality chemicals. This reduces risks on margin pressure / topline pressures in scenario of rising input costs.

Internal Controls, Systems and Adequacy

Your Company has clearly laid down policies, guidelines and procedures keeping in mind the nature, size and complexity of business operations. Your Company maintains a proper and adequate system of internal controls which provide for automatic checks and balances. Your Company's resilience and focus is driven to a large extent by its strong internal control systems for financial reporting. Your Company follows strict procedures to ensure high accuracy in recording and providing reliable financial and operational information, meeting statutory compliances.

Your Company's internal team and Audit Committee closely oversee the business operations. These responsibilities include the design, implementation and maintenance of adequate internal financial controls to ensure the orderly and efficient conduct of its business. The committees also ensure adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information. Any deviations are prompted to the management. Various risk mitigation solutions are then determined to bring risk exposure levels in line with risk appetite. Timely and adequate measures are undertaken to ensure undisrupted functioning of the business.

Human Resources

Your Company believes that human resources are the most critical element responsible for a growth of your Company. Your Company values its human capital and provides them ample opportunities to grow. Your Company has in place comprehensive and well-structured HR policies to ensure employee growth both at personal and professional levels. Your Company boasts of an experienced and talented pool of employees who continue to play key roles in enhancing business efficiency, devising strategies, setting-up systems and evolving business as per industry requirements. Your Company ensures a safe, conducive and productive work environment. Your Company is also expanding its talent pool considering the growth opportunities. Its strong organisational culture also enables it to attract talented resources. Your Company conducts regular trainings to the employees to ensure skill upgradation and personnel development.

Cautionary Statements

Your Company may, from time to time, make additional written and oral forward-looking statements, including statements contained in your Company's filings with Bombay Stock Exchange and National Stock Exchange, and our reports to shareholders. Your Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of your Company. All information contained in this presentation has been prepared solely by your Company. Your Company does not accept any liability whatsoever for any loss, howsoever, arising from any use or reliance on this Annual Report or its contents or otherwise arising in connection therewith.