

# ANNUAL

REPORT

2025



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# 01

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## The Aether Edit

# A Year of Strength and Progress



It is with deep pride and gratitude, we present the Annual Report for the Fiscal Year 2025. The past year has been a period of renewed strength and purposeful progress. We have navigated a complex business environment with agility, strengthened our foundations, and advanced our vision of building Aether into a trusted global leader in specialty chemicals. I extend my heartfelt thanks to our shareholders for their unwavering belief in our journey, to our employees for their dedication, and to every stakeholder who has supported us along the way.

**“Aether pioneers new frontiers in science and industry, distinguished by the ability to turn complexity into clarity, challenges into opportunities, and ideas into lasting impact.”**

Changing trade dynamics, structural shifts and geopolitical uncertainties continue to evolve the global economy. While these trends have challenged many economies, India’s economy has maintained its growth momentum with strong domestic demand, targeted reforms, and rising investment flows. This favourable climate, coupled with an increasing focus on technology, sustainability, and self-reliance, positions our country as a vital centre for manufacturing and innovation.

At Aether, we are determined to harness this moment. Our core purpose — to combine advanced chemistry with technology-driven manufacturing — guides every investment we make. We continue to expand our R&D and pilot plant capabilities, enabling us to translate ideas into scalable solutions with speed and precision. This capability, coupled with our deep customer partnerships, strengthens our position as the preferred partner for industries seeking complex and differentiated solutions.

Manufacturing remains central to our progress. Site 1 is actively engaged in strategic global projects. Site 2 has returned to full operational momentum with enhanced systems and controls. Site 3 is steadily

**“Our journey is driven by a simple belief — if we can imagine it, we can create it and if we create it, we can scale it”**

increasing utilisation, and Site 4 has been successfully commercialised with scale-up initiatives underway.

Our Greenfield projects, Site 3++ and Site 5, are advancing rapidly. Site 5 is being developed as a world-class facility that reflects our commitment to manufacturing excellence, and the acquisition of an additional 15 acres adjacent to it ensures room for future growth.

Safety and human capital remain at the heart of our operations. We have strengthened training, invested in advanced monitoring systems, and embedded safety reviews across all stages from R&D to manufacturing. These measures are part of a culture where every Aetherian is valued, protected, and empowered.

This year, we also introduced a company-wide uniform system that reflects professionalism while retaining creativity. Every employee now has a well-designed uniform that blends comfort with identity. For our manufacturing teams, we provide T-shirts paired with cargo trousers, incorporating subtle radium elements that gently shine at night. This feature ensures safety and easy identification, while also adding a touch of uniqueness to daily wear. By combining functionality with design, we ensure our

people feel pride in what they wear, without the monotony of a standard uniform.

**“Uniforms at Aether are not mere attire — they are a shared identity, a commitment to safety, and a daily reminder that we move forward together.”**

Alongside these initiatives, we have expanded professional development opportunities, welfare programs, and career growth pathways to ensure that our people grow with the company. We believe in doing what is right, even when it requires greater effort, and in building trust that endures. This principle is reflected in the relationships we share with our partners, customers, and communities.

As we enter the next phase of our journey, our focus will be on scaling responsibly, deepening our technological edge, and expanding our presence in pharmaceuticals, agrochemicals, material sciences, and emerging industries. With the continued trust of our stakeholders, we will shape Aether into a global leader that reflects what we stand for today and the ambitions we hold for tomorrow.

**“The ultimate measure of Aether’s success will be the enduring value we build, the trust we uphold, and the mark we leave on industries and communities for decades to come.”**

I extend my heartfelt appreciation to our employees, shareholders, customers, bankers, partners, government agencies, and the communities we serve. Your trust, dedication, and collaboration remain the foundation of our progress. Together, we will continue to advance Aether’s vision, capture new opportunities, and shape a future that reflects our highest aspirations.

**Ashwin Desai**  
Founding Promoter | Managing Director



# About Aether

Aether Industries Limited, headquartered in Surat, Gujarat, is more than just a specialty chemicals company — it is a story of ambition, precision, and breakthrough innovation. We create advanced intermediates and specialty chemicals for critical sectors, including pharmaceuticals, agrochemicals, material sciences, coatings, high-performance photography, additives, and oil & gas.

Our journey began in 2013 with a vision to redefine India’s place in the global chemical landscape. The early years focused on building foundations — assembling exceptional talent, creating state-of-the-art facilities, and investing deeply in research and development. By 2018, commercial operations were in full swing, and since then, we have sustained a compound annual growth rate of nearly 35%, establishing Aether as one of India’s fastest-growing specialty chemical enterprises.

Our business model is anchored on three pillars — Contract Research and Manufacturing Services (CRAMS), Contract and Exclusive Manufacturing (CEM), and Large-Scale Exclusive Manufacturing (LEM). Initially, the pharmaceutical sector was our primary revenue driver.

We have since diversified into other high-value sectors such as oil & gas, material sciences, and specialty performance chemicals. Today, CRAMS is the most significant focus of our business model, reflecting our ability to deliver complex, high-impact projects for growing global clientele.

The in-house R&D sets us apart. Each chemistry and technology we deploy has been conceived, developed, and perfected by our own research team.

We scale these innovations in our advanced and world’s largest Pilot Plant and bring them to full-scale production through processes we design and engineer ourselves.

We have created products never made in India before and compete with well-established Chinese companies, breaking new ground along the way. This bold spirit was recognised in 2022 with our successful IPO, and again in 2023 with a landmark QIP. These milestones reflect the trust our investors place in our innovative chemistries, robust systems, and the relentless drive of our people.

Our team, the “Aetherians,” is young, dynamic, enthusiastic, and determined. With an average age of just 29 years, we are powered by fresh perspectives and united by a shared commitment to excellence. Together, we have built a company that doesn’t just follow global standards — we set them.

Today, Aether is expanding its operational footprint and leading India’s march into advanced specialty chemicals with sustainability at its core. From commissioning solar power projects to forging global partnerships in plastic upscaling and bio-based products, we are shaping a future where cutting-edge chemistry works hand in hand with environmental responsibility.

From a small team in 2013 to a recognised global contender in 2025, Aether’s story remains one of resilience, innovation, and a clear vision — to lead, to pioneer, and to keep challenging what’s possible.



# Timeline

2013

Aether Incorporated

- Registration procedure
- Incorporation
- Aether is born.

2015

Land Acquisition

- 10,500 Sq. Mtrs. for Mfg. Facility 2
- Construction for Mfg. Facility 2
- Team Aether grows > 100

2014

Developed AIRIS

- Implementation of AIRIS
- SAP B-1 ERP System
- Team Aether grows > 50
- R&D / Pilot Plant - Mfg. Facility 1

2016

Commercialisation

- Commercialisation of Mfg. Facility 2
- Commercial Production - 4MEP
- Team Aether grows > 200

2017

Expansion QA/QC

- Expansion of QA / QC at Mfg. Facility 1
- Team Aether grows > 300

2018

₹ 1,000 MM

- Revenue ₹ 1,000 MM
- Commercial Production - OTBN

2019

₹ 2,000 MM

- Revenue ₹ 2,000 MM
- Commercial Production - MMBC
- Team Aether grows > 400

2021

Launched BFA

- Commercial Production - BFA
- Land - 5,250 Sq. Mtrs for Mfg. Facility 3
- Revenue ₹ 4,500 MM
- Aether team grows > 700

2020

₹ 3,000 MM

- Revenue ₹ 3,000 MM
- Pilot Plant and R&D Expansions
- R&D Received DSIR recognition
- Team Aether grows > 500
- Start Solvent Recovery Plant

2022

Land for Site 5 & IPO

- Land - 1,25,000 Sq. Mtrs. - for Mfg. Facility 5
- Revenue ₹ 6,000 MM
- Successful Fund raise vide IPO
- Land - 2,600 Sq. Mtrs for Mfg. Facility 3
- Commercial Production - IDB & 10MISB
- Inauguration of revamped R&D and Pilot Plant

2023

Launched ISBCC

- Commercialisation of Mfg. Facility 3
- Land - 2,600 Sq. Mtrs for Mfg. Facility 3
- Commercial Production - ISBCC
- Aether team grows > 880



2024

Saudi Aramco Tech. Co.

- Successful fund raise vide QIP
- Contract with Saudi Aramco Tech. Co.
  - LOI with Baker Hughes
- Dr. James Ringer appointed CTO
- Awards to Aether - D&B and SBI

2025

Baker Hughes | Novoloop | Seqens

- Revenue of ₹8,800 MM
- Agreement with Novoloop (USA) - plastic upscaling
- Agreement with Seqens (USA) - natural bio-based products
  - Baker Hughes - supply commenced
- Commissioning and start of 15 MW Auto Tracker based Solar Power Plant

Timeline



Business Models

31%

Contract | Exclusive  
Manufacturing

|        |        |        |
|--------|--------|--------|
| ₹2,234 | ₹1,535 | ₹2,630 |
| 34%    | 26%    | 31%    |
| FY23   | FY24   | FY25   |

12%

Contract Research &  
Manufacturing  
Services

|      |      |        |
|------|------|--------|
| ₹817 | ₹827 | ₹1,028 |
| 13%  | 14%  | 12%    |
| FY23 | FY24 | FY25   |

55%

Large Scale  
Manufacturing

|        |        |        |
|--------|--------|--------|
| ₹3,357 | ₹3,565 | ₹4,624 |
| 52%    | 60%    | 55%    |
| FY23   | FY24   | FY25   |



# Driving Innovation, Scaling Impact



It is my privilege to share my thoughts with you in this Annual Report for FY 2024-25 — a year that has tested our resilience, sharpened our strategic focus, and positioned Aether Industries at the forefront of a rapidly transforming specialty chemicals landscape. The past twelve months have been marked by disciplined execution, capacity expansion, and the deepening of relationships with some of the most respected innovators across the globe. Our CRAMS and exclusive manufacturing business model has grown by 95% this year, reaffirming our belief that it is a robust and future-ready engine for Aether's growth.

At the heart of this progress lies our commitment to research and development. Around the world, chemistry R&D is entering a new phase — driven by accelerated computational modelling, real-time reaction monitoring, process intensification technologies, and global collaborations that integrate discovery with scale-up from day one. The leading players are moving beyond the traditional linear path of lab-to-plant, adopting concurrent engineering approaches where synthesis optimisation, safety assessment, and manufacturing feasibility are evaluated in parallel. Aether has embraced this global model, blending advanced analytical instrumentation, continuous reaction technology, and data-driven scale-up methods with the intellectual capital of our scientists. This ensures that our R&D outcomes are not just publishable or patentable, but commercially deployable at world-class efficiency. In many ways, our approach reflects the same mindset as global leaders in specialty chemicals research — but adapted to India's speed, cost-competitiveness, and engineering ingenuity.

This global-aligned approach is reinforced by our expanding infrastructure. Site-1, our R&D and pilot-scale innovation hub, is undergoing a major expansion that will double its capacity, a reflection of our continued confidence in the strength of our innovation pipeline. With eight dedicated research groups and 63 hoods, Site-1 is not only the heart of our new ventures but also a unique innovation centre in the Indian

## “Innovation is not an isolated event in a laboratory — it is a living process that connects the first molecule to the final market”

specialty chemicals space. Sites 2 and 3, traditionally our large-scale manufacturing centres, with a strong position in Chinese import substitution, have now fully stabilised post the disruptions of 2023 and are operating at optimum capacity with stabilising pricing trends. Site-3++ represents a strategic milestone, now entirely dedicated to an contract / exclusive manufacturing for a leading global material science company — a project nurtured over four years from laboratory development to full-scale commercial production. Site-4 has moved from preparation to production with the first commercial product launches for major oil and gas partner, turning strategic intent into operational reality with an order pipeline that continues to grow month after month. Site-5 at Panoli, our largest greenfield site, is advancing rapidly with visibility on the first three to four plants, including both large-scale manufacturing and exclusive contract manufacturing projects for European and American partners. We have also procured an adjacent land to our Site-5, ad-measuring 60,000 square meters, which now makes the Site 5 a 46 acres land, which will be utilised for future expansions.

**“ Every site we commission is not just an addition to capacity — it is an expansion of possibilities. ”**

Our relationships with global innovators have not only deepened but also diversified. Strategic partnerships with Baker Hughes, SEQENS Group, Saudi Aramco Technologies, Novoloop, and other leaders in sustainability, energy, and advanced materials stand as firm validation that our capabilities — from R&D to scale-up to commercial manufacturing — are valued across the industry spectrum.

**“ Diversification is not about doing many things — it is about doing the right things across many domains. ”**

Our commitment to safety, sustainability, and operational excellence remains unwavering. This year, we successfully cleared multiple multi-day HSE audits from global multinational innovators and regulatory authorities. These are not just compliance milestones — they are affirmations of the culture we have built. Our R&D expenses (revenue plus capital), this year stood at ₹681 million, approximately 8% of total revenues, being the highest in the Indian specialty chemicals sector. This is both a statement of intent and a structural commitment to ensuring that innovation remains embedded in our business model.

I see the coming years as a period of accelerated growth and diversification. Our project pipeline is strong, our sites are expanding, and our partnerships are deepening. The balanced portfolio we envision will allow us to participate in the next wave of global demand while remaining resilient to market cycles. I would like to express my gratitude to our employees, whose dedication and expertise are the foundation of all that we achieve; to our customers, whose trust allows us to be a part of their most strategic programs; and to our investors, whose confidence in Aether empowers us to think long term. As I reflect on the year gone by, I am reminded of a belief that has guided my journey.

A stylized, handwritten signature in white ink on a dark background.

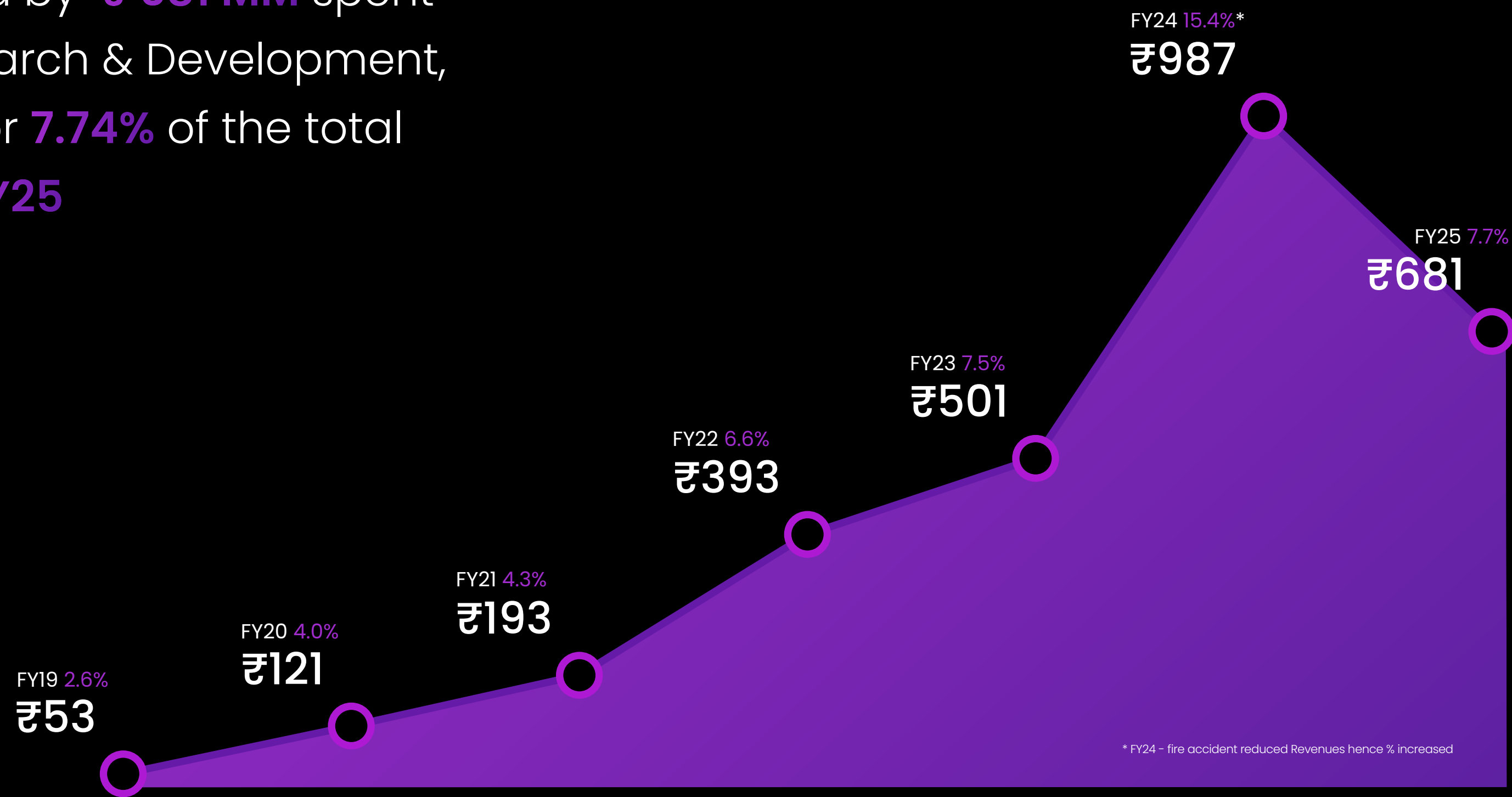
**Dr. Aman Desai**

Co-Founder | Director (Research & Operations)



# Product & Technology Excellence

**Core R&D-Centric approach**  
demonstrated by ₹ 681 MM spent  
towards Research & Development,  
accounting for 7.74% of the total  
revenues in FY25



# Advancement Horizons

## 6 New Products for Baker Hughes

### Products for Baker Hughes

A multi-year (extendable) contract to manufacture multiple new products for Baker Hughes globally, with a focus on India's oil and gas sector.

This "Make in India" project is primarily being executed by Aether's subsidiary, Aether Speciality Chemicals Limited. The agreement strengthens the partnership for future collaborations.

## Solar Power Plant – Auto Tracker

New auto-tracker project work started from the date of order, completed in phases in FY 2024-25.

Entire 15 MW commissioned and execution done by end of December 2024, savings in the electricity costs and adding to the bottom line.

## SEQENS Group Agreement

Contract / Exclusive Manufacturing Agreement with Chemoxy International Limited, a wholly-owned subsidiary of the SEQENS group (Seqens).

Contract, under which Aether will produce a series of natural bio-based products exclusively for Seqens.

The contract spans an initial period of three years and production is expected to commence, with a volume of 100+ MT per year.

# The Mains



**Ashwin Desai**  
Founding Promoter, Managing Director,  
Decades of experience in  
Specialty Chemical Industry



**Kamalvijay Tulsian**  
Chairman,  
Non-Executive Director  
Decades of experience in  
Textile and Chemical Industry



**Jeevan Lal Nagori**  
Non-Executive  
Independent Director  
34 years experience in  
Chemical Industry

**Purnima Desai**  
Promoter, Whole-time Director  
Multiple decades experience in  
Specialty Chemical Industry



**Leja Hattiangadi**  
Non-Executive  
Independent Director  
Decades of experience in  
Engineering Contracting /  
Chemical Industry

**Dr. Amol Kulkarni**  
Non-Executive  
Independent Director  
Experience as a Scientist



**Dr. Aman Desai**  
Promoter, Whole-time Director  
Multiple years experience in  
Specialty Chemical Industry



**Ishita Manjrekar**  
Non-Executive Director  
Experience in Chemical Industry

**Arun Kanodiya**  
Non-Executive  
Independent Director  
15+ years of experience  
as Chartered Accountant



**Rohan Desai**  
Promoter, Whole-time Director  
Extensive experience in  
Specialty Chemical Industry



**Jitendra Vakharia**  
Non-Executive  
Independent Director  
Decades of experience in  
Chemical and Textile Industry

**Rajkumar Borana**  
Non-Executive  
Independent Director  
Extensive experience in  
Textile Industry



# People & Places

## Key Managerial Personnel

Chief Technology Officer – Dr. James W. Ringer  
Chief Financial Officer – Faiz A. Nagariya  
CS & Compliance Officer – Chitrarth R. Parghi

## Statutory Auditor

Birju S. Shah & Associates, Surat

## Cost Auditor

PAAA & Associates, Surat

## Secretarial Auditor

Dhirren R. Dave & Company, Surat

## Registrar & Share Transfer Agent

MUFG Intime India Private Limited, Mumbai

## Registered Office

Aether Industries Limited  
Plot No. 8203, GIDC Sachin,  
Surat-394230, Gujarat, India  
Phone: +91-261-6603000  
Email: info@aether.co.in  
Web: www.aether.co.in  
CIN: L24100GJ2013PLC073434

## USA Office

6004, Harwood Drive, Midland,  
Michigan, 48640, USA

## Europe Office

Bruchweg 32,  
47608 Geldern, Germany

## Solar Power Plants

16 MW Static Panels  
Block No. 433-436, 454-457, 431/P1, 431/P2, 432 & 433,  
Sarod, Jambusar, Bharuch-392150, Gujarat, India

New 15 MW Auto Tracker  
New Block No. 619, 639 716, 717 & 719, Vagra, Bhesan,  
Bharuch-392012, Gujarat, India

## Manufacturing Facilities

Long Leased – GIDC

Manufacturing Facility 1  
Plot Nos. B-21/5, B-21/6 and B-21/7 SUSML,  
Road No. 3, Hojiwala Industrial Estate,  
Sachin, Surat-394230, Gujarat, India

Manufacturing Facility 2  
Plot No. 8203, GIDC Sachin, Surat-394230, Gujarat, India

Manufacturing Facility 3  
Plot No. 8202/1, GIDC Sachin, Surat-394230, Gujarat, India

Manufacturing Facility 3++ (under construction)  
Plot No. 8202/2/A & B, GIDC Sachin, Surat-394230, Gujarat,  
India

Manufacturing Facility 4  
(Aether Speciality Chemicals Limited)  
Plot No. 362/363, GIDC Sachin,  
Surat-394230, Gujarat, India

Manufacturing Facility 5 (under construction)  
Plot No. 14+15, GIDC Panoli,  
Bharuch-394115, Gujarat, India

Manufacturing Facility 5+ (new land for expansion)  
Plot No. 13, GIDC Panoli,  
Bharuch-394115, Gujarat, India

9 warehouses for the storage of Raw Material, Finished  
Goods and Packing Material in Surat, Gujarat

New Land – Plot 13  
Acquired – Site 5+



A group of business professionals are seated around a large conference table in a modern meeting room. The room features large windows with blinds and a presentation screen in the background displaying a 'Highlights' slide. The slide includes sections for 'ESOP' (Employee Stock Ownership Plan), 'Customer Audits', '31 New Customers', and 'Team Members'. The number '02' is overlaid in a large, light blue font on the left side of the image.

# 02

## The Power of Numbers



“Growth is not an outcome of circumstance, it is the result of deliberate choices and sustained effort.”

As I look back on the financial year 2024–25, I am pleased to share that it has been a year of resilience, steady progress, and strategic transformation for Aether Industries. We navigated a challenging market environment with discipline and focus, while advancing our growth plans with a clear vision for the future.

During the year, overall volumes grew by an impressive 34% compared to the previous year, supported by consistent demand across our portfolios and the addition of new customers, every quarter. Pricing stabilised in the second half of the year, and our efforts to expand into higher-value segments began to show visible results. We welcomed 37 new clients during the year, strengthening our presence across geographies and industries.

A key highlight of FY 2024–25 was the successful pivot towards our Contract Research and Manufacturing Services (CRAMS) and Contract/ Exclusive Manufacturing (CEM) business models. In FY25, these two segments together contributed nearly 45% of our revenues, and we are firmly on track towards our medium-term goal of 70% contribution from these high-value businesses models. Large Scale Manufacturing (LSM)

continued to be a strong pillar, contributing 55% of revenues in FY25, and will remain an integral part of our portfolio.

**“We do not just follow market trends; we aim to define them.”**

On the operational front, several capacity expansions moved forward decisively. Site 4 was fully commercialised and is now running at optimum capacity, with supplies underway for multiple products under our strategic supply agreement with major oil and gas partner Hughes. Site 3++ is being dedicated to a key CEM costumer, with production expected to commence by the end of Q4 FY 2025–26. Our greenfield Site 5 in Panoli is progressing on schedule, with the first two production blocks targeted for commissioning by end of calendar year 2025. These investments will meaningfully expand our capabilities and allow us to deepen partnerships in industries beyond agrochemicals and pharmaceuticals.

We also made significant strides in sustainability. The commissioning of our 15-megawatt solar power plant (with auto-tracker modules) during the year now totalling to 31-megawatts enables us to meet more than 75% of our electricity requirements from renewable sources, reducing our carbon footprint and delivering annual savings of over ₹120 million. which is significantly higher than the industry average.

**“Sustainability is not a choice we make today; it is the legacy we leave for tomorrow.”**

Our market approach has remained balanced, with 44% of revenues from exports overall, and a strong domestic base. This diversification, combined with our specialised manufacturing and R&D strengths, keeps us resilient against market fluctuations while opening opportunities in emerging segments such as sustainable polyols, advanced battery materials, and circular plastics recycling.

As we close this year, we do so with a stronger client base, a broader set of capabilities, and a sharper focus on high-value business models. The path ahead is one of disciplined execution, deeper global integration, and sustained innovation in partnership with our customers.

**“Our journey ahead will be defined by the boldness of our vision and the precision of our execution.”**

In closing, I extend my heartfelt gratitude to our customers, shareholders, employees, and partners for their trust and support. Your confidence motivates us to set higher benchmarks and pursue opportunities that will define the next phase of Aether’s journey. Together, we are building a future of growth, leadership, and enduring value creation.

**Rohan Desai**  
Co-founder | Director (Commercial)



# Financial Growth

| Particulars (Standalone)                                           | For the year ended March 31, |           |           |           |           |
|--------------------------------------------------------------------|------------------------------|-----------|-----------|-----------|-----------|
|                                                                    | 2025                         | 2024      | 2023      | 2022      | 2021      |
| Income                                                             |                              |           |           |           |           |
| Revenue from operations                                            | ₹7,885.18                    | ₹5,956.69 | ₹6,510.74 | ₹5,900.47 | ₹4,498.16 |
| Other Income                                                       | ₹443.16                      | ₹442.64   | ₹165.65   | ₹69.74    | ₹39.73    |
| Total income                                                       | ₹8,328.34                    | ₹6,399.33 | ₹6,676.39 | ₹5,970.21 | ₹4,537.89 |
| Expenses                                                           |                              |           |           |           |           |
| Cost of materials consumed                                         | ₹4,736.05                    | ₹3,757.87 | ₹3,796.14 | ₹3,585.21 | ₹2,249.16 |
| Changes in inventories of FG and WIP                               | -₹600.41                     | -₹564.42  | -₹622.76  | -₹704.88  | ₹57.72    |
| Employee benefits expense                                          | ₹425.24                      | ₹386.11   | ₹344.57   | ₹270.44   | ₹221.13   |
| Finance costs                                                      | ₹102.25                      | ₹85.17    | ₹50.93    | ₹131.21   | ₹113.15   |
| Depreciation and amortisation                                      | ₹427.97                      | ₹394.15   | ₹232.45   | ₹154.87   | ₹110.11   |
| Other expenses                                                     | ₹1,069.60                    | ₹1,062.66 | ₹1,130.27 | ₹1,068.63 | ₹848.56   |
| Total expenses                                                     | ₹6,160.69                    | ₹5,121.54 | ₹4,931.60 | ₹4,505.48 | ₹3,599.83 |
| PBT before exceptional items                                       | ₹2,167.65                    | ₹1,277.79 | ₹1,744.79 | ₹1,464.73 | ₹938.06   |
| Exceptional items                                                  | ₹118.74                      | ₹137.62   | ₹0.00     | ₹0.00     | ₹0.00     |
| Profit before tax                                                  | ₹2,048.91                    | ₹1,140.17 | ₹1,744.79 | ₹1,464.73 | ₹938.06   |
| Tax expense:                                                       |                              |           |           |           |           |
| Current tax                                                        | ₹380.16                      | ₹172.90   | ₹311.22   | ₹338.73   | ₹201.00   |
| Deferred tax                                                       | ₹147.85                      | ₹86.29    | ₹129.39   | ₹36.72    | ₹25.87    |
| Total Tax Expenses                                                 | ₹528.01                      | ₹259.19   | ₹440.61   | ₹375.45   | ₹226.87   |
| Profit for the period (A)                                          | ₹1,520.90                    | ₹880.98   | ₹1,304.17 | ₹1,089.29 | ₹711.19   |
| Other comprehensive (loss)/income                                  |                              |           |           |           |           |
| Items that will not be reclassified subsequently to profit or loss | -₹4.97                       | -₹4.46    | -₹1.67    | -₹1.98    | -₹0.86    |
| Remeasurement of defined benefit liability / (asset)               | ₹1.25                        | ₹1.12     | ₹0.42     | ₹0.50     | ₹0.22     |
| Income tax relating to the above                                   | -₹3.72                       | -₹3.34    | -₹1.25    | -₹1.48    | -₹0.64    |
| Total others (B)                                                   | ₹1,517.18                    | ₹877.64   | ₹1,302.93 | ₹1,087.81 | ₹710.55   |
| Total comprehensive income for the period (A+ B)                   |                              |           |           |           |           |
| Earnings per equity share [nominal value of ₹ 10]                  |                              |           |           |           |           |
| Basic                                                              | ₹11.47                       | ₹6.74     | ₹10.47    | ₹9.67     | ₹7.36     |
| Diluted                                                            | ₹11.47                       | ₹6.74     | ₹10.47    | ₹9.67     | ₹7.36     |

| Particulars (Consolidated)                                         | For the year ended March 31, |           |           |
|--------------------------------------------------------------------|------------------------------|-----------|-----------|
|                                                                    | 2025                         | 2024      | 2023      |
| Income                                                             |                              |           |           |
| Revenue from operations                                            | ₹8,386.90                    | ₹5,981.72 | ₹6,510.74 |
| Other Income                                                       | ₹416.42                      | ₹392.07   | ₹165.65   |
| Total income                                                       | ₹8,803.31                    | ₹6,373.80 | ₹6,676.39 |
| Expenses                                                           |                              |           |           |
| Cost of materials consumed                                         | ₹5,072.03                    | ₹3,774.13 | ₹3,796.14 |
| Changes in inventories of FG and WIP                               | -₹606.19                     | -₹564.95  | -₹622.76  |
| Employee benefits expense                                          | ₹427.95                      | ₹386.25   | ₹344.57   |
| Finance costs                                                      | ₹129.33                      | ₹85.17    | ₹50.93    |
| Depreciation and amortisation                                      | ₹450.14                      | ₹396.65   | ₹232.45   |
| Other expenses                                                     | ₹1,081.47                    | ₹1,063.82 | ₹1,130.30 |
| Total expenses                                                     | ₹6,554.73                    | ₹5,141.06 | ₹4,931.63 |
| PBT before exceptional items                                       | ₹2,248.58                    | ₹1,232.74 | ₹1,744.76 |
| Exceptional items                                                  | ₹118.74                      | ₹137.62   | ₹0.00     |
| Profit before tax                                                  | ₹2,129.84                    | ₹1,095.12 | ₹1,744.76 |
| Tax expense:                                                       |                              |           |           |
| Current tax                                                        | ₹380.16                      | ₹172.90   | ₹311.22   |
| Deferred tax                                                       | ₹165.50                      | ₹97.32    | ₹129.39   |
| Total Tax Expenses                                                 | ₹545.66                      | ₹270.22   | ₹440.61   |
| Profit for the period (A)                                          | ₹1,584.18                    | ₹824.90   | ₹1,304.15 |
| Other comprehensive (loss)/income                                  |                              |           |           |
| Items that will not be reclassified subsequently to profit or loss | -₹4.97                       | -₹4.46    | -₹1.67    |
| Remeasurement of defined benefit liability / (asset)               | ₹1.25                        | ₹1.12     | ₹0.42     |
| Income tax relating to the above                                   | -₹3.72                       | -₹3.34    | -₹1.25    |
| Total others (B)                                                   | ₹1,580.47                    | ₹821.57   | ₹1,302.90 |
| Total comprehensive income for the period (A+ B)                   |                              |           |           |
| Earnings per equity share [nominal value of ₹ 10]                  |                              |           |           |
| Basic                                                              | ₹11.95                       | ₹6.31     | ₹10.47    |
| Diluted                                                            | ₹11.94                       | ₹6.31     | ₹10.47    |



# Financial Growth

| Particulars (Standalone)  | For the year ended March 31, |           |           |           |           |
|---------------------------|------------------------------|-----------|-----------|-----------|-----------|
|                           | 2025                         | 2024      | 2023      | 2022      | 2021      |
| EBITDA (₹ In MM)          | ₹2,135.97                    | ₹1,176.85 | ₹1,862.52 | ₹1,681.07 | ₹1,121.59 |
| EBITDA Margin (%)         | 27.09%                       | 19.76%    | 28.61%    | 28.49%    | 24.93%    |
| PAT (₹ In MM)             | ₹1,520.90                    | ₹880.98   | ₹1,304.17 | ₹1,089.29 | ₹711.19   |
| PAT Margin (%)            | 18.26%                       | 13.77%    | 19.53%    | 18.25%    | 15.67%    |
| ROCE (%)                  | 8.11%                        | 4.77%     | 14.28%    | 23.96%    | 28.50%    |
| Debt-Equity Ratio (Times) | 0.05                         | 0.06      | 0.00      | 0.74      | 1.19      |
| Return on Net Worth (%)   | 6.83%                        | 4.26%     | 10.48%    | 28.16%    | 40.79%    |

| Particulars (Consolidated) | For the year ended March 31, |           |           |
|----------------------------|------------------------------|-----------|-----------|
|                            | 2025                         | 2024      | 2023      |
| EBITDA (₹ In MM)           | ₹2,292.89                    | ₹1,184.87 | ₹1,862.49 |
| EBITDA Margin (%)          | 27.34%                       | 19.81%    | 28.61%    |
| PAT (₹ In MM)              | ₹1,584.18                    | ₹824.90   | ₹1,304.15 |
| PAT Margin (%)             | 18.00%                       | 12.94%    | 19.53%    |
| ROCE (%)                   | 8.50%                        | 4.70%     | 14.28%    |
| Debt-Equity Ratio (Times)  | 0.08                         | 0.08      | 0.00      |
| Return on Net Worth (%)    | 7.12%                        | 4.00%     | 10.48%    |

### Notes

- EBITDA is calculated as profit before tax + depreciation and amortisation expense + finance costs - other income
- EBITDA Margin is calculated as EBITDA divided by revenue from operations
- PAT is the Profit for the period
- PAT Margin is calculated as profit for the period/year divided by total income
- ROCE is calculated as earnings before interest and taxes divided by Capital Employed
- Debt-Equity Ratio is calculated as Debt divided by total equity
- Return on Net Worth is calculated as profit for the period/year divided by Net Worth



# Earnings Growth

## Consistent Performance, Promising Future

Over the period from FY2016–17 to FY2024–25 Aether Industries has moved from a small, single-site specialty chemicals manufacturer to a diversified, scale-capable specialty chemicals and CRAMS player — delivering exceptional top-line growth, sustained operating margins, expanding manufacturing footprint and improved absolute profitability. This transition has been driven by capacity commissioning, a broadened product mix (specialty chemicals, contract manufacturing and CRAMS), selective inorganic/organic capacity investment and an IPO that accelerated the Company’s institutional profile and access to capital.

### 1. Revenue growth — scale and compounding expansion

Aether’s revenue has grown very rapidly in absolute terms over the years. The Company reported total revenues in the early commissioning year of FY2016–17 of ₹248.60 million (≈ ₹24.86 crore), reflecting the first commercial streams coming online, and reported total income for FY2024–25 of ₹880.33 crore, representing a transformational increase in scale. When measured on a consistent basis (FY2016–17 → FY2024–25), this implies a compound annual growth rate (CAGR) of ~56% in revenue — a rare rate of compounding that illustrates both strong market demand and the successful execution of capacity ramps and commercial traction.

### 2. Profitability and margins — healthy operating leverage

Aether has historically delivered robust operating margins for a chemicals manufacturer. In FY2018–19 and FY2019–20 the Company reported EBITDA margins in the mid-20% range (the FY2018–19 EBITDA margin was ~24.4%; FY2019–20 ~24.3%), demonstrating a high-margin product mix early in its growth. In FY2024–25, the business maintained healthy profitability with improved absolute EBITDA and a return to positive full-year PAT after earlier volatility. The FY2024–25 consolidated financials show a notable recovery in PAT and EBITDA as revenues scaled.

### 3. Profitability trajectory (absolute profits)

Absolute PAT has shown volatility historically—early years had modest profits as the company invested to scale, and certain years included non-recurring items and exceptional events. Importantly, FY2024–25 recorded a meaningful recovery in annual total income and reported consolidated profits for the year (and the Q4 FY25 quarter reported net profit and revenue growth quarter-on-quarter and year-on-year). For FY2024–25 total income was ₹880.33 crore and the company reported positive consolidated PAT for the year.

### 4. Segmental performance and business mix

Aether operates principally across three revenue pools:

1. Speciality chemicals (large-scale proprietary intermediates) — primary revenue contributor, benefits from technical know-how and scale.
2. Contract / Exclusive Manufacturing — manufacturing for large pharma/chemical customers on long-term and multi-year relationships.
3. CRAMS (Contract Research & Manufacturing Services) — higher-value R&D-linked manufacturing with escalating demand, particularly after the Company’s public listing and focused business development.

The relative weighting shifted over the period in favour of CRAMS and contract manufacturing, increasing recurring revenue visibility and improving absolute EBITDA contribution per rupee of revenue. The Company’s investor materials and presentations emphasise an expanding share of CRAMS in the mix.

## 5. Capital investment, capacity and strategic initiatives

Growth has been capital-intensive and deliberate:

1. Multiple capacity commissioning phases since 2016 (new process streams in 2016, further expansions across FY2017–FY2021).
2. Solar captive generation (announced and commissioned in stages) to improve energy security and reduce operating cost intensity.
3. Public listing in mid-2022 provided access to a wider capital base and supported both organic expansion and working-capital needs.
4. Expansion of Manufacturing Facility 3 in FY 2019–20 to 2020–21, Manufacturing Facility 4 in FY 2023–24, the beginning of expansion of Manufacturing Facility 3++ and Manufacturing Facility 5 (first phase) in FY2023–24 and FY2024–25.

## 6. Financial position and balance-sheet strength

The Company’s balance sheet expanded to support larger working capital and fixed assets as capacity came online. Published balance-sheet extracts and independent analyst summaries show material increases in tangible assets and capital work-in-progress between FY2018 and FY2024 as new plants were capitalised. Ratings agencies and analysts have noted reasonable leverage given the growth profile and generally stable operating cash generation in recent reporting periods.

## 7. Outlook and management focus (forward-looking)

Management’s communicated priorities for the coming 12–24 months can be summarised as:

1. Complete the ramp-up of recently commissioned lines and convert order book into sustained revenue;
2. Continue to grow CRAMS and contract manufacturing share to deepen recurring, long-tenor revenues;
3. Maintain margin discipline while pursuing selective capacity additions;
4. Strengthen HSE, ESG and risk controls following the FY2023 incident, and continue to scale captive renewable energy to reduce cost and scope-1/2 footprint.

From the early commissioning revenue base in FY2016–17 to the considerably scaled operations of FY2024–25, Aether Industries’ financial journey reflects deliberate capacity building, a move up the value chain towards CRAMS and contract manufacturing, and disciplined operating execution that preserved strong operating margins through rapid growth. While episodic operational and market risks remain, the Company’s financial scale, improving absolute profitability and clarified strategic priorities position it to pursue the next phase of profitable growth.



# Earnings Growth



“The year gone by has been one of steady recovery, operational discipline, and renewed momentum across our financial and strategic priorities.

We closed the fiscal year with stronger fundamentals — Revenue, EBITDA, Profit After Tax, ROCE, and ROE, all improved over the previous year. All these financial numbers have grown in Fiscal Year 2025 as compared to Fiscal Year 2024 – Revenue by 38.12%, EBITDA by 93.51%, PAT by 92.04%. The ROE and ROCE have grown to 7.12% and 8.50% in Fiscal Year 2025 against 4.00% and 4.70% in Fiscal Year 2023, respectively. This performance reflects a combination of improved capacity utilization, better product mix, and prudent financial management.

Our expansion projects remain firmly on schedule. The planned commissioning timelines for ongoing phases at Site 3++ and Site 5 will strengthen our manufacturing footprint and position us to serve a broader global customer base.

We have also made encouraging progress in new initiatives and collaborations with customers. These partnerships are tracking well and are expected to contribute meaningfully in the coming years.

On the insurance claim related to the November 2023 accident, we had put up a claim of ₹100 crores to the insurance company, which has been accepted by them. Of this, ₹36 crores has already been received, and the balance will be released in phases, with full settlement expected in FY26.

The working capital cycle which has always been critical for us since last few years, we are able to reduce the same to a considerable level in Fiscal Year 2025, with continuing efforts being made to bring it more down to have a better working capital days.

This has also helped us bring up positive operating cash flows in the Fiscal Year 2025, which were negative till the last fiscal year. Our approach continues to prioritise capital efficiency, risk management, and a strong balance sheet. With operational headroom, healthy liquidity, and robust governance, we are confident of sustaining growth while creating enduring value for all stakeholders.

I would like to thank our investors, lenders, customers, and colleagues for their trust and support in another year of progress.”

**Faiz Nagariya**  
Chief Financial Officer

|      |     | Standalone   |        |        |
|------|-----|--------------|--------|--------|
|      |     | REVENUE      | EBITDA | PAT    |
| FY25 |     | ₹8,328       | ₹2,136 | ₹1,521 |
|      | Y/Y | + 30%        | + 82%  | + 73%  |
| FY24 |     | ₹6,399       | ₹1,177 | ₹881   |
|      |     |              | 20%    | 14%    |
|      |     | Consolidated |        |        |
|      |     | REVENUE      | EBITDA | PAT    |
| FY25 |     | ₹8,803       | ₹2,293 | ₹1,584 |
|      | Y/Y | + 38%        | + 94%  | + 92%  |
| FY24 |     | ₹6,374       | ₹1,185 | ₹825   |
|      |     |              | 20%    | 13%    |





# 03

## The Fiscal Focus

# Financial Capital

In FY 2024-25, Aether Industries Limited demonstrated the resilience, prudence, and adaptability of its financial capital in an environment shaped by global market pressures and operational challenges. Despite headwinds such as intensified competition from Chinese players, a slowdown in the agrochemicals sector, and the temporary disruption from the fire at Manufacturing Facility 2, the Company maintained a strong financial foundation and continued to invest strategically in its long-term growth agenda.

## Revenue and Margins

Total revenue for the year stood at ₹8,803 million, with Large Scale Manufacturing, Contract / Exclusive Manufacturing and CRAMS recording modest growth of 29.71%, 71.39% and 24.31% respectively. The major driver being the Contract / Exclusive Manufacturing, which has grown due to the Baker Hughes contract showing a positive outlook for future. EBITDA Margin and PAT Margin growing by 93.51% and 92.05% respectively in Fiscal Year 2025, compared to Fiscal Year 2024.

## Capital Investment

Capital investments during the year were focused on strengthening manufacturing capabilities and enhancing future growth prospects. Supported by the successful Qualified Institutional Placement (QIP) in June 2023, we advanced the expansion at Site 3++, initiated the phase one at Site 5, and witnessed the commissioning of Site 4 by Aether Specialty Chemicals Limited in March 2024 – a milestone that expands our capacity and product portfolio.

## Positive Working Capital Management

Our financial stewardship emphasised liquidity preservation, efficient working capital management, and disciplined capital allocation. Debtor days were reduced, while inventory levels temporarily increased due to the restart of Facility 2 and higher in-process stock. These measures ensured operational continuity while supporting future scaling. But overall working capital cycle has been reduced considerable in Fiscal Year 2025 compared to Fiscal Year 2024.

## Support from Investors

Investor confidence, built through consistent performance post-IPO in FY 2022-23 and reinforced by the QIP in June 2023, remained a cornerstone of our financial stability. This trust empowers us to continue investing in innovation, capacity expansion, and market diversification. This trust remains upheld by some marque investors, who believe in our growth story and are there to support us further.

## Looking forward

Looking ahead, Aether will leverage its robust balance sheet and strategic capital deployment to seize emerging opportunities, deepen global partnerships, and deliver sustained value creation. By aligning financial discipline with growth ambition, we are confident of navigating dynamic market conditions and accelerating our journey as a global leader in the specialty chemicals sector.

Revenue FY25  
+ 38% Y/Y

EBITDA FY25  
+ 94% Y/Y

PAT FY25  
+ 92% Y/Y



# Manufacturing Capital

In FY 2024-25, Aether Industries Limited further strengthened its manufacturing capital, reinforcing its position as a technology-driven, innovation-led manufacturer in the global specialty chemicals industry. Our robust manufacturing infrastructure — comprising Sites 1, 2, 3, and the newly commissioned Site 4 operated by Aether Specialty Chemicals Limited — remained the cornerstone of our operations, enabling the delivery of complex, high-value chemistries at scale while adhering to the highest standards of quality, safety, and environmental stewardship.

A major highlight was the commissioning of Site 4 in March 2024 (which was fully functional from Q3 of Fiscal Year 2025), a landmark achievement in our growth journey. Site 4 has been designed with state-of-the-art automation, advanced process control systems, and stringent environmental safeguards. Its energy-efficient architecture, coupled with flexible multipurpose facilities, allows for rapid scale-up of innovative chemistries and swift adaptation to diverse customer requirements.

### Research & Development and Innovation

R&D and innovation remain deeply embedded in our manufacturing strategy. Close collaboration between our R&D teams and production facilities ensures that complex chemistries are transitioned seamlessly from lab to plant. FY 2024-25 witnessed the successful scale-up of several innovative products and processes, supported by proprietary technologies developed in-house. Our sustained investment in R&D not only strengthens our competitive edge but also creates new avenues for high-margin growth in niche segments.

### Safety & Security

Safety & Security are integral to our operational philosophy. During the year, we further reinforced plant safety protocols, implemented advanced fire detection and suppression systems, and expanded employee training in emergency preparedness. Regular safety audits, hazard identification programs, and stringent process controls ensure that our facilities operate with the highest levels of occupational safety and asset protection. Cybersecurity measures were also enhanced to safeguard our process data, intellectual property, and operational control systems.

### Scalability, Flexibility, and Sustainability

Our manufacturing capital is anchored on three strategic pillars: scalability, flexibility, and sustainability. Across all sites, we continue to integrate renewable energy solutions, implement waste minimization systems, and optimize resource utilization — reducing environmental impact while improving operational efficiency.

### Manufacturing Ecosystem

The diversity and sophistication of our manufacturing ecosystem enable us to serve multiple business models — Large Scale Manufacturing, Contract/Exclusive Manufacturing, and CRAMS — while maintaining agility in responding to volatile market conditions. This adaptability, combined with technological innovation and operational discipline, has been instrumental in navigating sector-specific slowdowns and sustaining long-term growth momentum.

### Fuelling the Business Models

The diversity and sophistication of our manufacturing assets enable us to serve a broad range of business models — including Large Scale Manufacturing, Contract/Exclusive Manufacturing, and CRAMS — while responding swiftly to dynamic global market shifts. This versatility has been instrumental in mitigating the impact of sector-specific slowdowns and sustaining our long-term growth momentum.

### Looking forward

Looking ahead, Aether Industries Limited will continue to expand capacity, deepen innovation capabilities, and strengthen operational resilience. By uniting cutting-edge infrastructure, pioneering R&D, and an unwavering commitment to safety, security, and sustainability, we are poised to leverage our manufacturing capital as a critical driver of sustainable growth, market leadership, and stakeholder value creation in the global specialty chemicals sector.

Gross Block (Tangible + Intangible) ₹10,889

CAPEX ₹4,148

Manufacturing Units 04

Greenfield Project expansion ongoing 03



# Human Capital

At Aether Industries Limited, we believe our people are the cornerstone of our success. FY 2024-25 reaffirmed the critical role of our human capital in driving operational excellence, innovation, and sustainable growth, even in the face of industry headwinds. Our talented and diverse workforce — comprising scientists, engineers, technicians, and professionals across functions — embodies the values of integrity, innovation, and resilience that define Aether’s culture.

### Talent Development and Skill Enhancement

The year was marked by sustained investment in developing the skills and capabilities of our employees. We continued to expand technical training programs for plant operators, chemists, and engineers, ensuring alignment with evolving process technologies, automation systems, and safety protocols. Management and leadership development initiatives were strengthened to groom future leaders, fostering a culture of accountability and performance-driven growth. Collaborations with technical institutions and industry bodies enabled us to keep our talent pool at the cutting edge of scientific and operational advancements.

### Employee Engagement and Retention

Employee well-being and engagement remained at the heart of our human capital strategy. We implemented structured feedback mechanisms, internal communication platforms, and participatory decision-making forums to encourage transparency and collaboration. Retention of high-performing talent was supported through competitive compensation structures, career advancement opportunities, and recognition programs that celebrate both individual and team contributions.

### Safety and Well-being

FY 2024-25 underscored our commitment to a safe, healthy, and secure work environment. In the aftermath of the fire incident at Manufacturing Facility 2, we intensified safety training, upgraded emergency response capabilities, and reinforced our occupational health protocols. Our EHS (Environment, Health & Safety) teams conducted regular hazard identification, mock drills, and compliance audits, ensuring that safety remains non-negotiable across all sites.

### Culture of Innovation

Our human capital is not only operationally skilled but also innovation-driven. Cross-functional teams from R&D, manufacturing, and commercial functions collaborated closely to bring complex chemistries from concept to scale. This culture of innovation is powered by intellectual curiosity, problem-solving capabilities, and a shared vision of delivering value to customers through differentiated products and solutions.

### Diversity and Inclusion

We recognize that diversity strengthens our perspectives and decision-making. Aether continues to encourage gender diversity, cross-cultural collaboration, and inclusivity in recruitment and workplace practices. We are committed to providing equal opportunities for growth and fostering an environment where every individual feels valued and empowered.

### Digital Enablement

To support our evolving operational and strategic needs, we enhanced digital literacy programs across teams. This included training on advanced analytics, digital collaboration tools, and process automation systems, enabling our workforce to operate with higher efficiency, accuracy, and responsiveness in a technology-driven manufacturing environment.

### Looking ahead

As we enter the next phase of growth, our focus will remain on nurturing a workforce that is skilled, engaged, and inspired. By fostering continuous learning, reinforcing safety, and empowering our people to lead with innovation, Aether Industries Limited is committed to building human capital that not only meets today’s demands but is also prepared to shape the future of the specialty chemicals sector.



Total Aetherians **987**

Average Age **29**



# Intellectual Capital

At Aether Industries Limited, our intellectual capital represents the collective knowledge, proprietary expertise, and innovative capabilities that differentiate us in the global specialty chemicals landscape. FY 2024-25 has been a year of further strengthening our knowledge base, research depth, and process innovations to create sustainable competitive advantages despite external challenges.

### R&D Excellence and Innovation

Research & Development is at the core of our intellectual capital. Our state-of-the-art R&D facilities, equipped with advanced analytical instrumentation and pilot-scale manufacturing units, continued to drive breakthroughs in complex chemistries and novel process routes. During FY 2024-25, we intensified our focus on developing greener, cost-effective, and high-yield manufacturing processes to address both customer needs and sustainability imperatives.

Collaborations between our R&D scientists, process engineers, and customers resulted in the successful scaling of multiple products from lab to commercial production. These innovations not only improved process efficiencies but also reduced environmental impact, strengthening our leadership in differentiated chemistries.

### Proprietary Knowledge and Process Expertise

Over the years, we have built a deep repository of proprietary technologies, process know-how, and intellectual property that serve as key enablers for our Contract Research and Manufacturing Services (CRAMS) and Large-Scale Manufacturing business models. In FY 2024-25, we further enhanced our process libraries through continuous optimization, allowing us to maintain cost competitiveness and ensure consistent quality in complex chemical syntheses.

Our multidisciplinary teams leveraged their expertise in advanced technologies such as photochemistry, continuous manufacturing, and catalytic processes to deliver unique solutions to global customers.

### Knowledge Management and Collaboration

We believe that effective knowledge management ensures that our intellectual capital is continuously enhanced and shared across functions. In FY 2024-25, we implemented structured systems for capturing, documenting, and disseminating process learnings, technical insights, and best practices across our sites. Cross-functional collaboration — especially between R&D, manufacturing, quality, and EHS teams — ensured faster problem-solving, improved scalability, and reduced time-to-market for new products.

### Digital Integration in Innovation

Leveraging digital tools for data analysis, simulation, and predictive modelling has become an integral part of our intellectual capital development. FY 2024-25 saw increased adoption of digital R&D platforms, enabling us to optimise process parameters virtually before pilot trials, thus reducing development cycles and resource usage.

### Commitment to Sustainability through Innovation

A key dimension of our intellectual capital is our ability to align innovation with sustainability. Many of our process developments in FY 2024-25 were focused on reducing solvent usage, energy consumption, and waste generation, thereby contributing to our ESG commitments and meeting the evolving expectations of global customers.

### Looking ahead

As we move forward, we remain committed to expanding our intellectual capital through continuous investment in R&D, talent development, and advanced technologies. Our strategic focus will be on creating novel chemistries, protecting innovations through IP, and leveraging our proprietary expertise to capture emerging market opportunities. With our robust foundation of knowledge and innovation, Aether Industries Limited is well-positioned to deliver differentiated value and maintain its competitive edge in the specialty chemicals sector.



₹681

R&D Expense

7.74

% of Total Revenue



# Social Capital

At Aether Industries Limited, our social capital reflects the strength of our relationships with stakeholders, the trust we build within the communities we operate in, and the positive societal impact we strive to create. FY 2024-25 was a year in which we deepened our engagement with stakeholders, expanded community development initiatives, and reinforced our role as a responsible corporate citizen, despite the challenging operating environment.

## Stakeholder Relationships and Engagement

We believe that long-term business success is rooted in strong, transparent, and mutually beneficial relationships with our stakeholders — customers, suppliers, investors, employees, regulators, and communities. During FY 2024-25, we conducted structured stakeholder engagement programs, including customer feedback sessions, supplier partnership meetings, investor interactions, and community outreach initiatives. These engagements allowed us to understand expectations, address concerns proactively, and align our actions with stakeholder priorities.

## Customer-Centric Collaboration

Our social capital is strengthened by the trust our global customers place in our capabilities. In FY 2024-25, we maintained open communication channels and collaborative development efforts, ensuring that customer requirements were addressed with speed, transparency, and innovation. We leveraged our technical expertise to co-develop solutions with customers, thereby reinforcing long-term relationships and enhancing our reputation as a preferred partner in the specialty chemicals sector.

## Supplier Partnerships and Responsible Sourcing

Strong supplier relationships are essential to maintaining operational efficiency and product quality. We continued to work closely with suppliers to ensure timely deliveries, consistent quality, and adherence to ethical, environmental, and safety standards. Our responsible sourcing practices, combined with fair commercial terms, have fostered mutual trust and long-term partnerships.

## Community Development and CSR Initiatives

Our corporate social responsibility (CSR) initiatives are designed to create meaningful and measurable benefits for the communities we serve. During FY 2024-25, we undertook a range of community development programs focused on:

- 1. Education: Supporting local schools with infrastructure, learning materials, and scholarships for underprivileged students.
  - 2. Healthcare: Organizing medical camps, health awareness drives, and facilitating access to basic healthcare in underserved areas.
  - 3. Livelihood Support: Offering skill development programs to enhance employability among youth and women in local communities.
  - 4. Environmental Stewardship: Conducting tree plantation drives, water conservation projects, and awareness campaigns on sustainable practices.
- Our CSR efforts not only addressed community needs but also reinforced our social license to operate, ensuring harmony between our operations and the surrounding environment.

## Ethical Practices and Governance in Social Engagement

Integrity, transparency, and ethical conduct underpin all our stakeholder interactions. We strictly adhere to compliance norms, fair trade practices, and zero-tolerance policies towards corruption or unethical behaviour. Our governance framework ensures that our community and stakeholder engagement activities are monitored for impact and effectiveness.

## Safety, Security, and Wellbeing

Our social capital also encompasses our commitment to safeguarding the wellbeing of our employees, contractors, and communities. During FY 2024-25, we strengthened safety training programs, conducted regular emergency preparedness drills, and upgraded site security measures to protect people, assets, and the environment.

## Building Trust Through Transparency

Trust is the cornerstone of our social capital. We maintain transparency in our communications, disclose relevant operational and financial information in a timely manner, and uphold accountability across all levels of the organization. This openness strengthens stakeholder confidence in our leadership, strategy, and long-term vision.

## Looking forward

- We are committed to further enhancing our social capital by:
- 1. Expanding our CSR footprint to cover more communities and impactful projects.
  - 2. Deepening collaboration with stakeholders to create shared value.
  - 3. Strengthening our ESG framework to ensure measurable societal and environmental benefits.

Through these efforts, Aether Industries Limited aims to not only achieve business growth but also to contribute meaningfully to the communities and ecosystems that support our success.

FY25

Activities undertaken

05

- Education
- Sports
- Health & Medical
- Senior Citizen Care
- Animal Welfare

CSR Spent in

₹29

Y-o-Y

+2.35%



04

Building Tomorrow

# Success Biography

The journey of Aether Industries Limited in FY 2024-25 stands as a testament to the Company’s ability to thrive amid change, adapt to dynamic market realities, and reinforce its position as a leader in the Indian and global specialty chemicals landscape. Since inception, Aether has built its success on a foundation of innovation, operational excellence, and customer-centricity — and this year was no exception, despite facing unprecedented challenges.

### Key milestones

Key milestones during the year included the commissioning of Site 4 by our subsidiary, Aether Specialty Chemicals Limited, in March 2024, full fledged operations started in Q3 of FY25 — a pivotal expansion that significantly enhanced our manufacturing capacity and broadened our product portfolio. Strategic investments in Site 3++ and first phase of Site 5, further underlined our vision for scalability and global competitiveness. The restart of Manufacturing Facility 2 demonstrated our swift operational recovery capabilities, while continuous advancements in process automation, safety systems, and green manufacturing practices reaffirmed our ESG-driven growth model.

### R&D and Innovation as the Cornerstone

Our R&D capabilities remained a cornerstone of our success, with continued focus on niche chemistries, intellectual property creation, and custom solutions for high-growth global markets. Collaborations with customers and strategic partners strengthened our CRAMS and Contract Manufacturing businesses, driving innovation-led value creation.

### Financial Growth and Business Models

Total revenue for the year stood at ₹8,803 million, with Large Scale Manufacturing, Contract / Exclusive Manufacturing and CRAMS recording modest growth of 29.71%, 71.39% and 24.31% respectively. The major driver being the Contract / Exclusive Manufacturing, which has grown due to the Baker Hughes contract showing a positive outlook for future. EBITDA Margin and PAT Margin growing by 93.51% and 92.05% respectively in Fiscal Year 2025, compared to Fiscal Year 2024.

### Our People and Our Values

Beyond business performance, our success in FY 2024-25 was defined by our people and our values. We continued to nurture a culture of innovation, safety, integrity, and collaboration, empowering our teams to deliver excellence. Our community engagement initiatives, sustainability programs, and environmental stewardship further enhanced our social and environmental impact.

### Sustainability and Social Responsibility

Sustainability remains a cornerstone of Aether Industries’ mission. In FY 2024-25, we further strengthened our ESG agenda, prioritizing carbon footprint reduction, efficient resource utilization, and the integration of circular economy principles into our operations. Our community engagement initiatives expanded meaningfully, with impactful programs in education, healthcare, and women’s empowerment, reflecting our conviction that true business excellence is achieved when economic growth is harmonized with social advancement.

### Looking Ahead

Looking ahead, Aether’s success story is poised for its next chapter — one defined by bold investments in innovation, market diversification, and global expansion. We remain committed to translating our vision into measurable outcomes, delivering enduring value to stakeholders, and leading the transformation of the specialty chemicals industry.

### Acknowledgments

We express our sincere appreciation to our employees, customers, partners, and investors. Your trust, commitment, and continued support have been integral to our journey in FY 2024-25. Together, we have navigated challenges, celebrated achievements, and set the stage for greater milestones in the years ahead.

### Global Reach and Sustainability Efforts

We export to key markets including Italy, Spain, Germany, Netherlands, Japan, and the United States. We have 16MW Solar Power Plant, and now we have added 15MW Solar Power Plant with Auto Tracker Modules. All these will help us scale up our success in future.



# Revenue Growth

In a fiscal year marked by operational disruptions, sectoral slowdowns, and global competitive pressures, Aether Industries Limited sustained a stable revenue base and reinforced its strategic growth trajectory. The following key points outline our performance and approach in FY 2024-25:

### 1. Overall Performance

Total Revenue: ₹8,803 million for FY 2024-25, reflecting resilience in the face of multiple industry challenges. Revenue increased by three main factors:

- 1. Demand for the products increasing thereby leading volume growth.
- 2. Contract manufacturing revenues from Baker Hughes from Q3 FY 2025.

### 2. Segment-Wise Revenue Trends

- 1. Large Scale Manufacturing:
  - a. Achieved 29.71% growth year-on-year, mainly because of volume growth and prices stabilising
  - b. Driven by sustained demand from global long-term customers.
  - c. Supported by newly commissioned manufacturing capacities and improved process efficiencies.
- 2. CRAMS (Contract Research and Manufacturing Services):
  - a. Recorded 24.31% growth despite broader market pressures.
  - b. Growth supported by R&D-led solutions, niche chemistries, and complex multi-step synthesis capabilities.
- 3. Contract/Exclusive Manufacturing:
  - a. Experienced a 71.39% growth, backed up by Baker Hughes contract and other contracts.
  - b. Other contract manufacturing products also showing demand from the market.

### 3. Strategic Responses to Market Challenges

- 1. Diversification into resilient sectors such as pharmaceuticals, material sciences, and performance chemicals to reduce over dependence on agrochemicals.
- 2. Proactive pricing strategy to remain competitive without compromising on value and quality.
- 3. Accelerated R&D efforts to commercialize high-value specialty products with lower exposure to cyclical demand swings.

### 4. Infrastructure and Capacity Expansion

- 1. Commissioning of Site 4 (by Aether Specialty Chemicals Limited) in March 2024 added advanced specialty manufacturing lines.
- 2. Progress on Site 3++ and the initial phase of Site 5 to further enhance production capacity for high-demand chemistries.
- 3. Expansion aligned with long-term revenue scalability and diversification objectives.

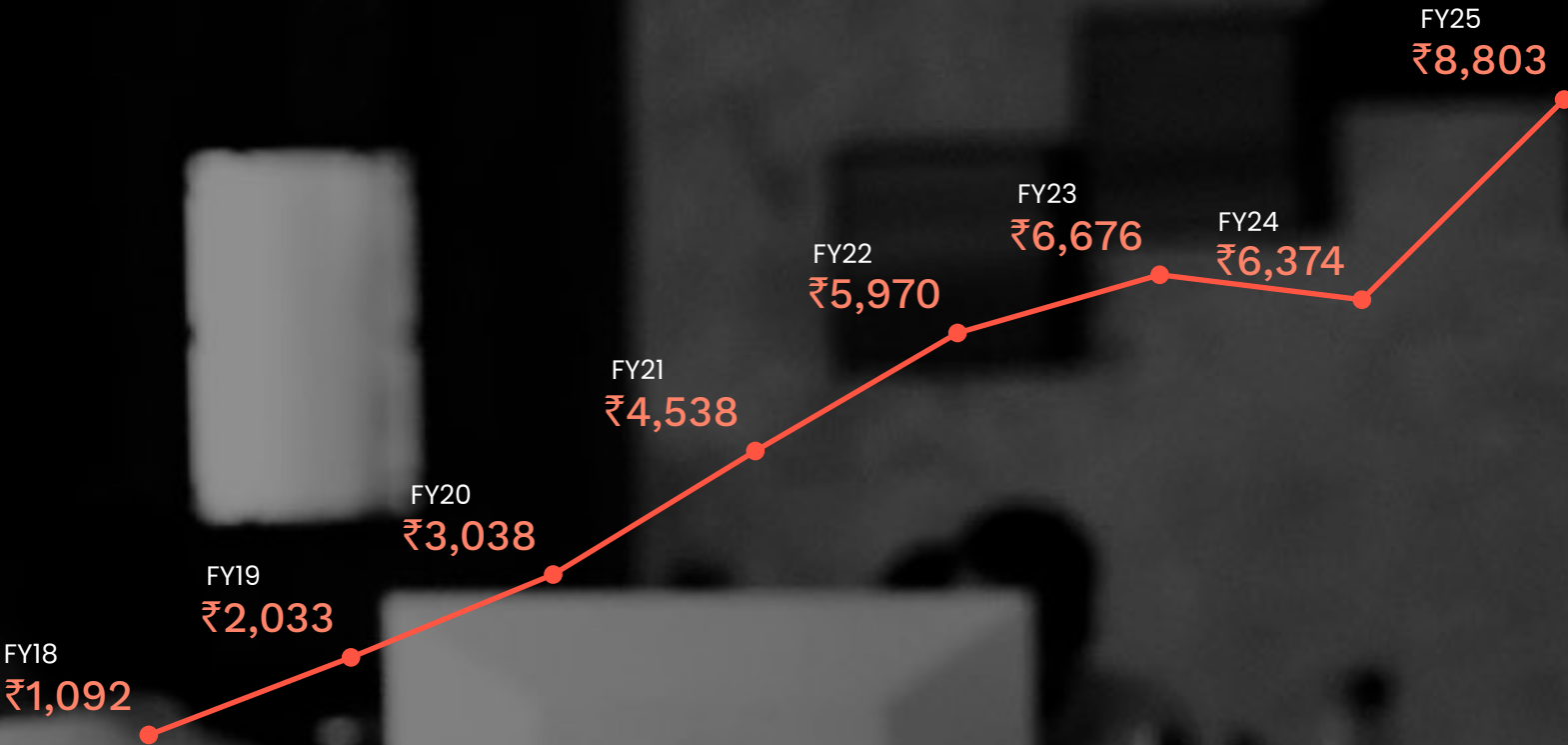
### 5. Strengthening the Revenue Pipeline

Our continued investment in capacity expansion and technological upgrades has been crucial to revenue growth. The successful commissioning of Manufacturing Facility 4, along with ongoing developments at Manufacturing Facilities 3++ and 5 (first phase), will significantly enhance our production capabilities and allow us to meet rising demand and enter new markets.

Looking ahead, we are optimistic about growth prospects. The Indian specialty chemicals industry is set for expansion, driven by favourable macroeconomic trends, increasing foreign direct investment (FDI), and government Production Linked Incentive (PLI) schemes. As global innovators seek to diversify their supply chains, Aether Industries is well-positioned to capitalize on these opportunities with our advanced R&D and manufacturing facilities and our track record of delivering innovative, sustainable solutions.

### Conclusion

Fiscal Year 2024 was a testament to our resilience and strategic growth. Despite challenges, we achieved a balanced revenue mix, expanded our global footprint, and made strategic investments poised to drive future growth. As we move forward, we remain committed to leveraging our strengths, exploring new opportunities, and delivering exceptional value to our stakeholders. Our success in navigating a complex global market is a reflection of our strategic vision, operational excellence, and the unwavering support of our stakeholders. We are well-positioned to advance as a global leader in the specialty chemicals industry.



# Geographical Presence

In FY 2024–25, Aether Industries strengthened its global and domestic reach, serving a diversified portfolio of customers across North America, Europe, and Asia, while continuing to expand its presence in India. Our advanced manufacturing facilities in Surat remained the cornerstone of this network, enabling seamless supply to over 19 countries and catering to multiple industrial clusters across the nation. Strategic positioning in key geographies allowed the Company to respond swiftly to market needs, optimise logistics, and ensure consistent product quality. This broad geographical footprint not only diversified revenue streams but also reinforced Aether’s role as a reliable, innovation-driven partner in the global specialty chemicals value chain.

## 1. Strategic Market Coverage

Maintained strong engagement in high-value markets such as the United States, Germany, United Kingdom, Japan, and China, while expanding into fast-growing economies in Southeast Asia and the Middle East

## 2. Key Export Markets and Performance

a. North America – Sustained strong presence in the United States and Mexico, through long-term supply contracts for niche chemistries. The revenues increased from 5.73% in USA and 0.96% in Mexico in Fiscal Year 2024 to 6.81% in USA and 10.49% in Mexico in Fiscal Year 2025, respectively.

Asia-Pacific – Strategic supply partnerships in Japan and emerging opportunities in South Korea, Taiwan, and China, have continued to generate revenues from these regions, but there is a marginal reduction in the revenues as % from 5.31% in Fiscal Year 2024 to 4.43% in Fiscal Year 2025. Revenues from China have, though increased and 0.75% in Fiscal Year 2024 had grown to 1.59% in Fiscal Year 2025.

Rest of the World – Expanding presence in high-growth developing markets for performance materials and custom synthesis products, the entry in African region is commendable in Fiscal Year 2025.

## 3. Domestic Market Strength

India, our home base, remains integral to our growth strategy, contributing 60.51% of our total revenue in FY 2025, which was 64.05% in Fiscal Year 2024.

## 4. Surat as the Global Hub

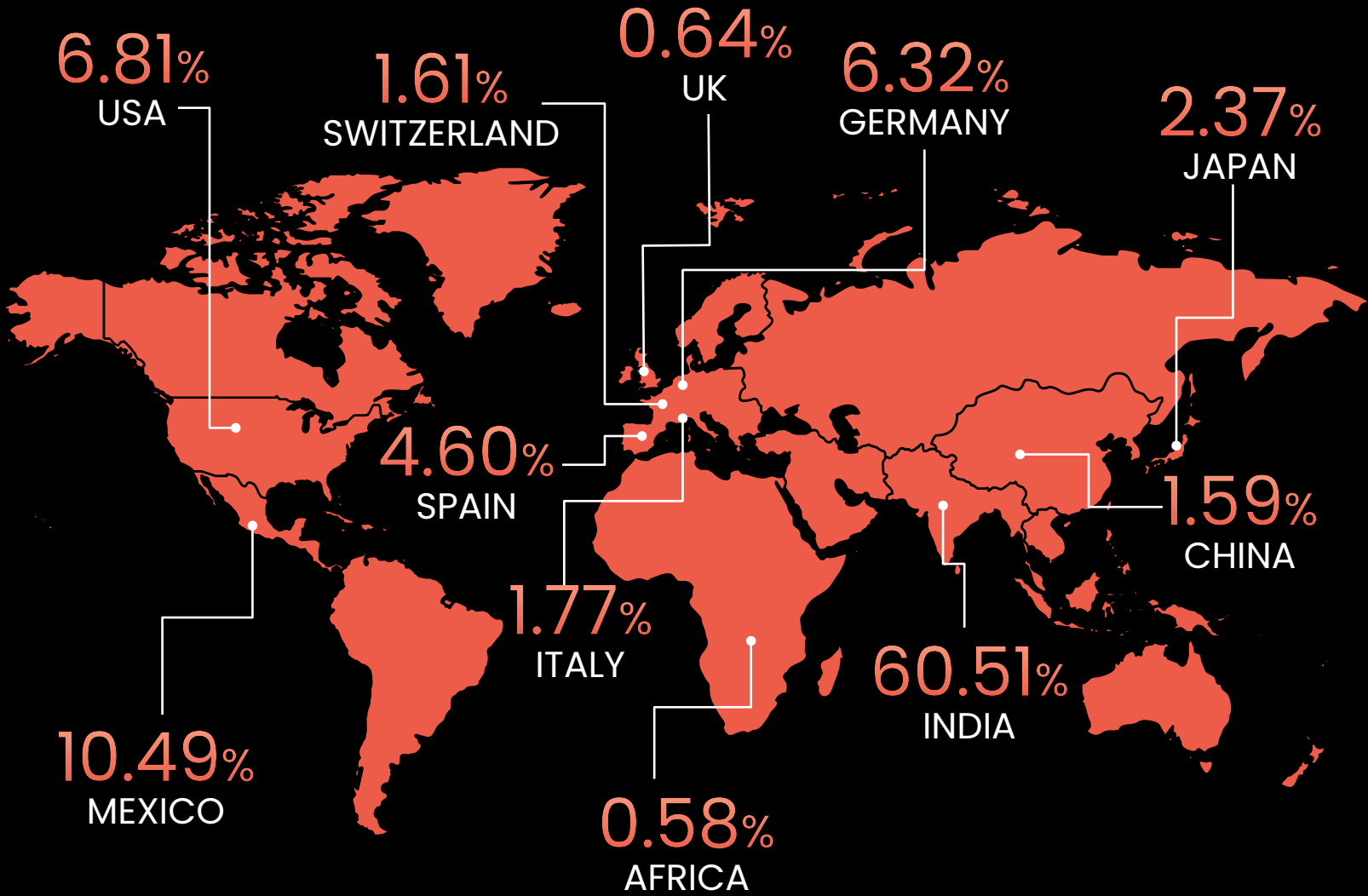
Leveraged state-of-the-art manufacturing facilities in Surat to serve international customers efficiently, ensuring consistency in quality, compliance, and timely deliveries.

## 5. Regulatory Compliance & Quality Standards

Met or exceeded stringent regulatory and quality requirements across multiple jurisdictions, strengthening trust with global customers and enabling entry into new regions.

## 6. Strategic Approach and Future Outlook

Our geographic expansion is underpinned by a dual strategy of leveraging local expertise while upholding global standards. Our state-of-the-art manufacturing facilities in India exemplify our dedication to quality and safety, ensuring the delivery of superior products worldwide. Our R&D capabilities continue to drive innovation, enabling us to meet the specific needs of diverse markets and build enduring relationships.



# Advancing Aether's Technical Frontiers



It is an honour to share my first message as Chief Technology Officer (CTO) of Aether Industries Limited. Although I formally assumed this role in March 2024, my association with Aether began three years ago when I joined in a business development and technology leadership capacity for the Americas. Those years gave me an invaluable window into the company's culture, its uncompromising technical standards, and its forward-looking vision. I have witnessed first-hand the remarkable combination of ambition, scientific depth, and strategic clarity that not only drives our success but also sets Aether apart in a competitive and rapidly evolving global specialty chemicals landscape.

What impresses me most is the way this organisation blends the rigour of world-class research with the agility to seize opportunities, creating an environment where innovation is not an occasional achievement but a consistent outcome.

My career of more than three decades in research and development has shown me that true technological leadership comes not only from innovative ideas but also from the discipline to scale them into solutions that create lasting value. At The Dow Chemical Company and later Corteva Agriscience, I had the privilege of working across a wide range of industries, from agriculture to electronics, pharmaceuticals to hydrocarbons, developing and implementing processes that transformed ideas into commercial reality. The common thread across these experiences has been a relentless focus on safety, scientific rigour, executional excellence and collaboration.

**"Achievements are never a coincidence; it is the result of excellent planning, hard work, and intelligent execution."**

As a scientist by nature and practice, I believe the strength of an organization lies in its ability to harness the fundamentals of chemistry and translate them into commercially viable, high-performance solutions.

**"In science, observations are not just details — they make the difference between possibility and achievement."**

In core chemistry, precision matters, whether in reaction optimisation, catalyst design, impurity control or scale-up strategy. At Aether, I see a rare depth of chemical engineering and synthetic chemistry expertise, where our teams are not only mastering the complexity of multi-step synthesis but also driving innovation in process intensification, green chemistry and continuous manufacturing.

Research and development is the heart of this progress. Our R&D pipeline spans early-stage discovery, pilot-scale development, and full-scale manufacturing readiness. Each stage is supported by data-driven decision-making, robust analytical science and an uncompromising commitment to safety and quality. We are integrating advanced modelling, automation and process analytics into our workflows, ensuring that every new molecule or process we develop is not only technically sound but also scalable, sustainable, and economically competitive.

With the future in focus, my priorities as CTO are clear, to strengthen our R&D capabilities, accelerate the development of differentiated technologies, and ensure that every project we undertake aligns with both our commercial goals and our responsibility

toward sustainability. This means building on our proven expertise in pharmaceuticals, oil & gas, material science, coating, agrochemicals, sustainability & renewables, high performance photography and expanding our capabilities into high-value applications across multiple sectors, supported by robust intellectual property and global collaborations.

I am confident that our technical journey will continue to drive Aether's growth story, delivering not just products, but enduring solutions that serve our customers, our communities and our planet. It is a privilege to lead this effort alongside our talented teams and dedicated partners.

**"Leadership in science is measured not by titles, but by the solutions that stand the test of time."**

Together, we will shape a future where Aether is not only a leader in specialty chemicals, but a benchmark for how technology can enable progress on every front.

**Dr. James (Jim) W. Ringer, Ph.D.**  
Chief Technology Officer

# Product & Technology Excellence

Aether Industries Limited continues to place Research and Development at the core of its growth strategy, reinforcing its position as a leading innovator in the specialty chemicals industry. In FY 2024-25, our R&D efforts remained focused on creating high-value products, enhancing process efficiencies, and driving sustainability while addressing evolving customer and market needs.

### 1. R&D Infrastructure and Capabilities

- a. Operates two state-of-the-art R&D Centres equipped with advanced analytical instrumentation, dedicated kilo-labs, and process development units.
- b. Maintains world-class pilot plant facilities enabling smooth scale-up from laboratory to commercial production.
- c. Expanded computational chemistry and process simulation capabilities to accelerate development timelines.

### 2. Innovation in Product Portfolio

- a. Successfully developed new molecules and intermediates across agrochemicals, pharmaceuticals, and performance materials segments.
- b. Increased focus on high-margin, niche specialty chemicals with intellectual property potential.
- c. Initiated product diversification projects to reduce dependency on any single sector, particularly in light of the agrochemical slowdown during the year.

### 3. Investment in R&D

We consider R&D as the core of Aether’s business and hence, continuously invest towards the R&D and Pilot Plants. As of March 31, 2025, we had R&D Expenditure (revenues plus capital) of ₹681 million, which is 7.74% of our total revenues.

### Looking Ahead

In FY 2024-25, Aether Industries Limited’s R&D function once again proved to be the engine of innovation, resilience, and strategic differentiation. By combining cutting-edge scientific capabilities with sustainability, safety, and customer-centricity, the Company continues to deliver value-added solutions that strengthen its competitive position globally. With an unwavering commitment to research excellence, Aether is poised to capture emerging opportunities in specialty chemicals and contribute to a more sustainable future.

145 Scientists 141 Engineers  
28.92% of total manpower  
09 females



# Environmental, Social & Governance (ESG)

Aether Industries Limited continued to embed ESG principles at the core of its business strategy during FY 2024-25, demonstrating an unwavering commitment to responsible growth, environmental stewardship, social impact, and ethical governance.

## 1. Environmental Stewardship

- a. Renewable Energy Integration: Commissioned the full-scale operation of the 16 MW Solar Power Plant in 2022 and 15 MW Solar Power Plant (Auto-tracker), reducing dependency on conventional energy sources and lowering electricity expenses to 1.95% of total revenues.
- b. Carbon Footprint Reduction: Focused on process optimization and energy-efficient technologies, resulting in measurable reductions in Scope 1 and Scope 2 emissions.
- c. Sustainable Manufacturing: Expanded green chemistry initiatives to replace hazardous raw materials with eco-friendly alternatives, minimizing waste and improving process yield.
- d. Water Management: Enhanced water recycling systems at manufacturing facilities, increasing reuse efficiency and reducing freshwater intake.
- e. Waste Management: Implemented advanced waste segregation and safe disposal practices, with higher percentages of hazardous waste sent for co-processing in cement plants to ensure zero landfill disposal.

## 2. Social Responsibility

- a. Employee Well-Being & Safety: Reinforced occupational health and safety protocols across all manufacturing units, especially post-incident at Manufacturing Facility 2, ensuring strict compliance with national and international safety standards.
- b. Skill Development: Launched advanced technical training modules, leadership development programmes, and continuous learning initiatives for employees across departments.
- c. Community Engagement: Strengthened CSR programmes in education, healthcare, and skill training for communities surrounding operational sites, impacting over 15,000 beneficiaries.
- d. Diversity & Inclusion: Maintained a merit-based, inclusive work culture, with initiatives encouraging greater participation of women in manufacturing, R&D, and leadership roles.

## 3. Governance Excellence

- a. Ethical Business Practices: Maintained a zero-tolerance approach towards corruption, anti-competitive practices, and regulatory non-compliance, supported by robust internal control frameworks.
- b. Board Oversight: The Board's ESG Committee actively monitored sustainability targets, compliance metrics, and stakeholder engagement initiatives.
- c. Transparency & Reporting: Enhanced ESG disclosures in line with Business Responsibility and Sustainability Reporting (BRSR) requirements, ensuring alignment with SEBI guidelines and global best practices.
- d. Risk Management: Integrated ESG risks into the enterprise risk management framework, including climate-related risks, supply chain vulnerabilities, and regulatory shifts.
- e. Strong Board for the appropriate and effective corporate governance at the Company level.

## 4. Water Management

Aether Industries Limited prioritised sustainable water practices by enhancing recycling and reuse systems across manufacturing facilities, significantly reducing freshwater intake. Advanced treatment technologies ensured safe discharge, while efficiency measures improved water conservation, aligning with the Company's commitment to environmental stewardship.

## 5. Human Rights

Aether Industries Limited upholds the highest standards of human rights, fostering a safe, respectful, and inclusive workplace. The Company ensures fair labour practices, zero tolerance for discrimination or harassment, and strict adherence to ethical policies across its operations and supply chain. Policies like POSH, Gender Equality and many more are set for the Company for the benefit of its internal employees as well as external stakeholders.



# Quality, Environment, Health, Safety (QEHS)

At Aether Industries Limited, our unwavering commitment to Quality, Environment, Health, and Safety (QEHS) remains a cornerstone of our operational excellence and sustainable growth. In Fiscal Year 2024-25, these guiding principles continued to shape our strategic direction, enabling us to uphold the highest benchmarks of performance, responsibility, and integrity across every facet of our business.

## 1. Quality

Excellence in quality has long been the defining hallmark of Aether Industries Limited, deeply embedded in our ethos and operational philosophy. In Fiscal Year 2024-25, our unwavering commitment to delivering superior products was reinforced through rigorous quality management systems meticulously aligned with the most stringent global standards. We consistently invested in cutting-edge technologies, process innovations, and comprehensive training programs, strengthening our quality assurance framework and ensuring precision, reliability, and compliance at every stage.

From meticulous raw material selection to advanced final product testing, our processes are fortified with state-of-the-art infrastructure and adherence to global regulatory norms. Continuous improvement remained a central focus, with targeted initiatives implemented across manufacturing facilities to enhance consistency, optimize efficiency, and uphold excellence in every batch produced.

By nurturing a culture where quality is not merely a compliance requirement but a shared responsibility, Aether Industries continues to command trust in the specialty chemicals sector—delivering solutions that consistently meet and often surpass customer expectations, thereby reinforcing our standing as a partner of choice worldwide.

## 2. Environment

Sustainability remains central to Aether Industries Limited’s environmental stewardship, guiding our actions and shaping our long-term vision. In FY 2024-25, we strengthened our commitment to environmental responsibility by embedding green chemistry principles into our operations and accelerating sustainability-focused initiatives. Our efforts encompassed significant reductions in carbon emissions, optimization of energy consumption, and minimization of waste, supported by strategic investments in renewable energy infrastructure and resource-efficient processes. These initiatives not only reaffirm our role as a responsible corporate citizen but also position us as a leader in sustainable industrial practices.

An important testament to our environmental safeguards was reflected during the fire incident in November 2023, where prompt action and robust systems ensured that no environmental damage occurred, as verified by the authorities. Throughout the year, we maintained full compliance with environmental regulations,

reinforcing our commitment to transparency, accountability, and proactive governance. By fostering innovation in sustainability and continually enhancing our environmental performance, Aether Industries reaffirms its leadership in responsible manufacturing within the specialty chemicals sector.

## 3. Health

At Aether Industries Limited, the health, safety, and well-being of our employees, contractors, and the communities in which we operate remain paramount. In FY 2024-25, we further strengthened our commitment to creating a safe and healthy workplace by embedding advanced safety protocols, global best practices, and preventive measures across all operational sites.

We implemented rigorous safety audits, frequent training programs, and emergency preparedness drills to ensure that every member of our workforce is equipped to respond effectively to any situation. Our robust incident reporting, monitoring, and root-cause analysis systems enabled the swift identification of potential hazards and the timely execution of corrective actions. This proactive approach not only mitigates risks but also enhances operational resilience.

For Aether Industries, health and safety transcend compliance—they are embedded in our values, shaping our operational philosophy and ensuring that our most valuable asset—our people—thrive in a safe, supportive, and empowering environment.

## 4. Safety

Safety remains the bedrock of our operational philosophy at Aether Industries Limited. The events of FY 2024-25, particularly the fire incident at Manufacturing Facility 2, reinforced the imperative for uncompromising safety standards. In response, we have further strengthened our safety framework through the deployment of advanced safety technologies, comprehensive root cause investigations, and heightened emergency preparedness protocols. Our steadfast pursuit of a zero-incident workplace is underpinned by continuous safety training, stringent audits, and an organization-wide culture of vigilance and accountability.

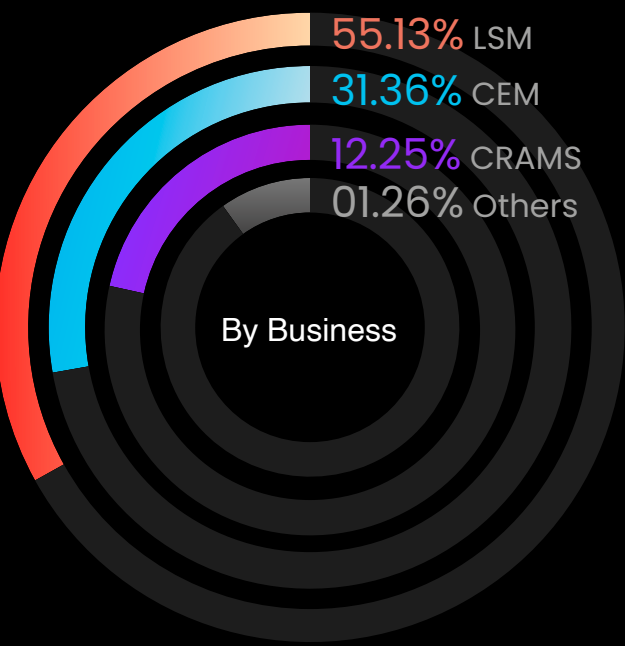
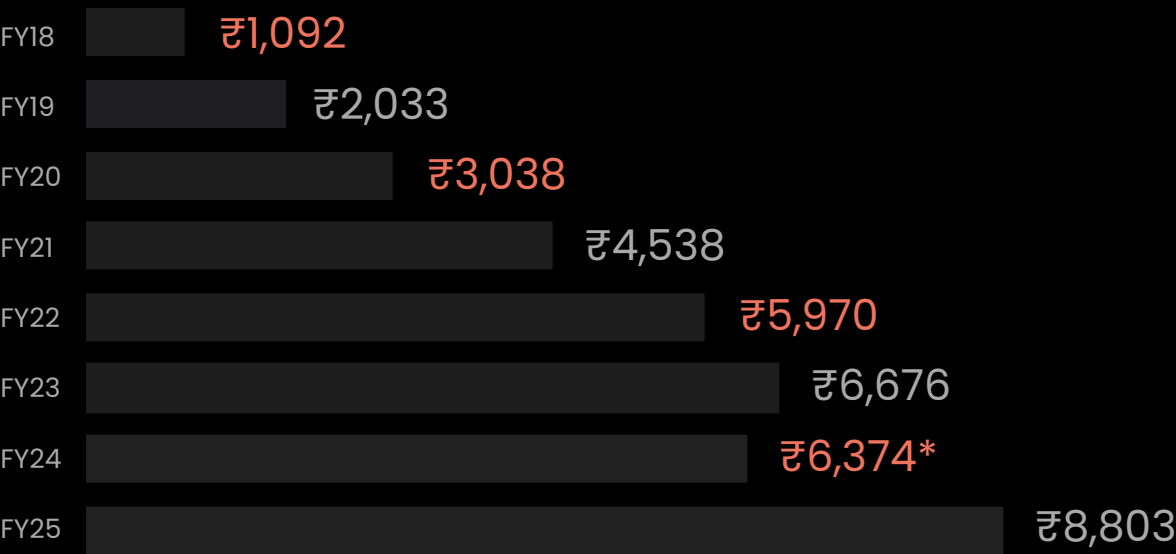
## Way forward with QEHS

Looking ahead, Aether Industries stands resolute in its commitment to Quality, Environment, Health, and Safety (QEHS). By embedding these principles into every dimension of our operations, we aim not only to meet but consistently surpass global benchmarks. This unwavering dedication ensures that our legacy of excellence, responsibility, and safety continues to flourish, driving sustainable growth and stakeholder trust for years to come.

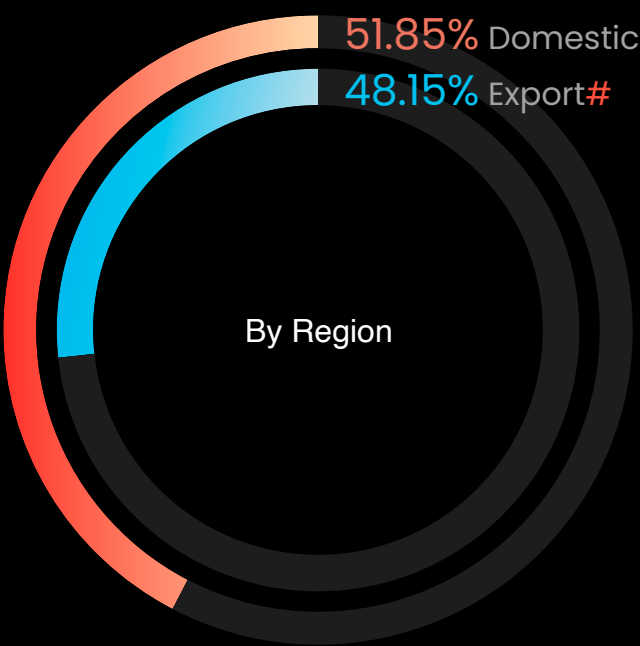


# Aether's Performance Chronicle

## TOTAL REVENUE

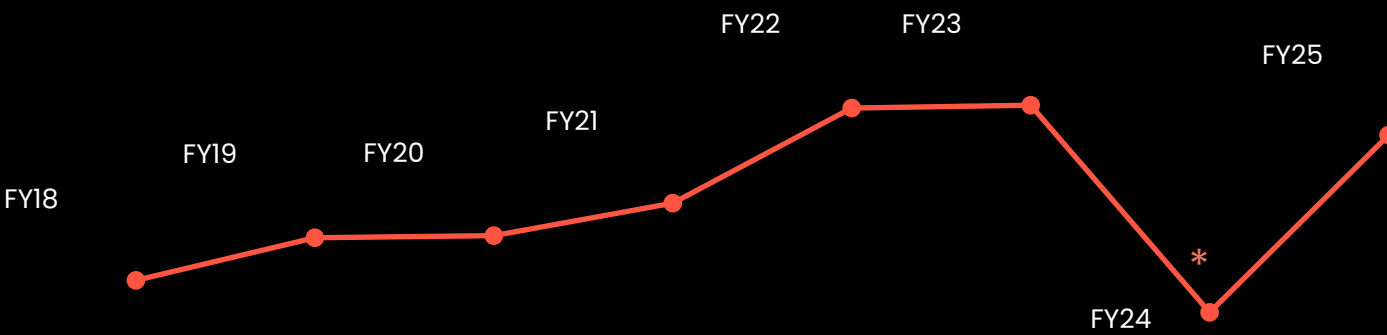


FY25

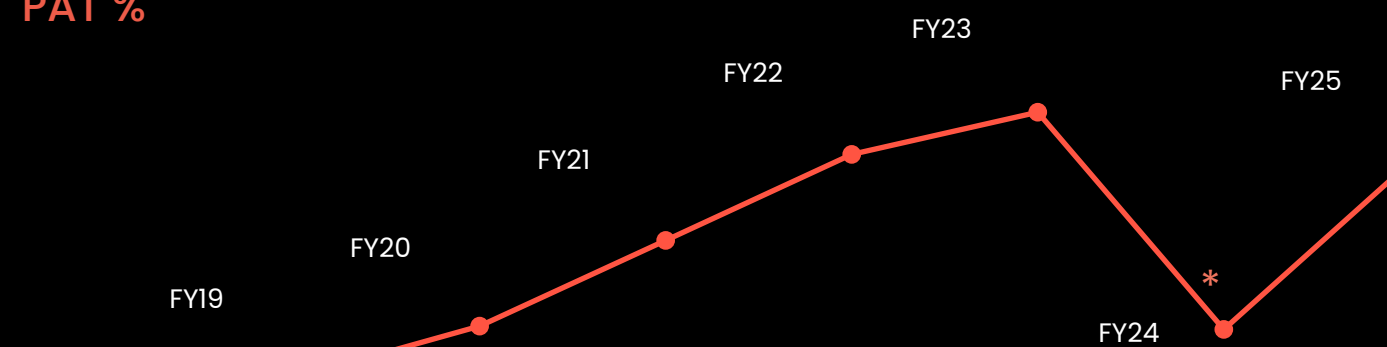


# includes deemed exports and SEZ Sales

## EBITDA %



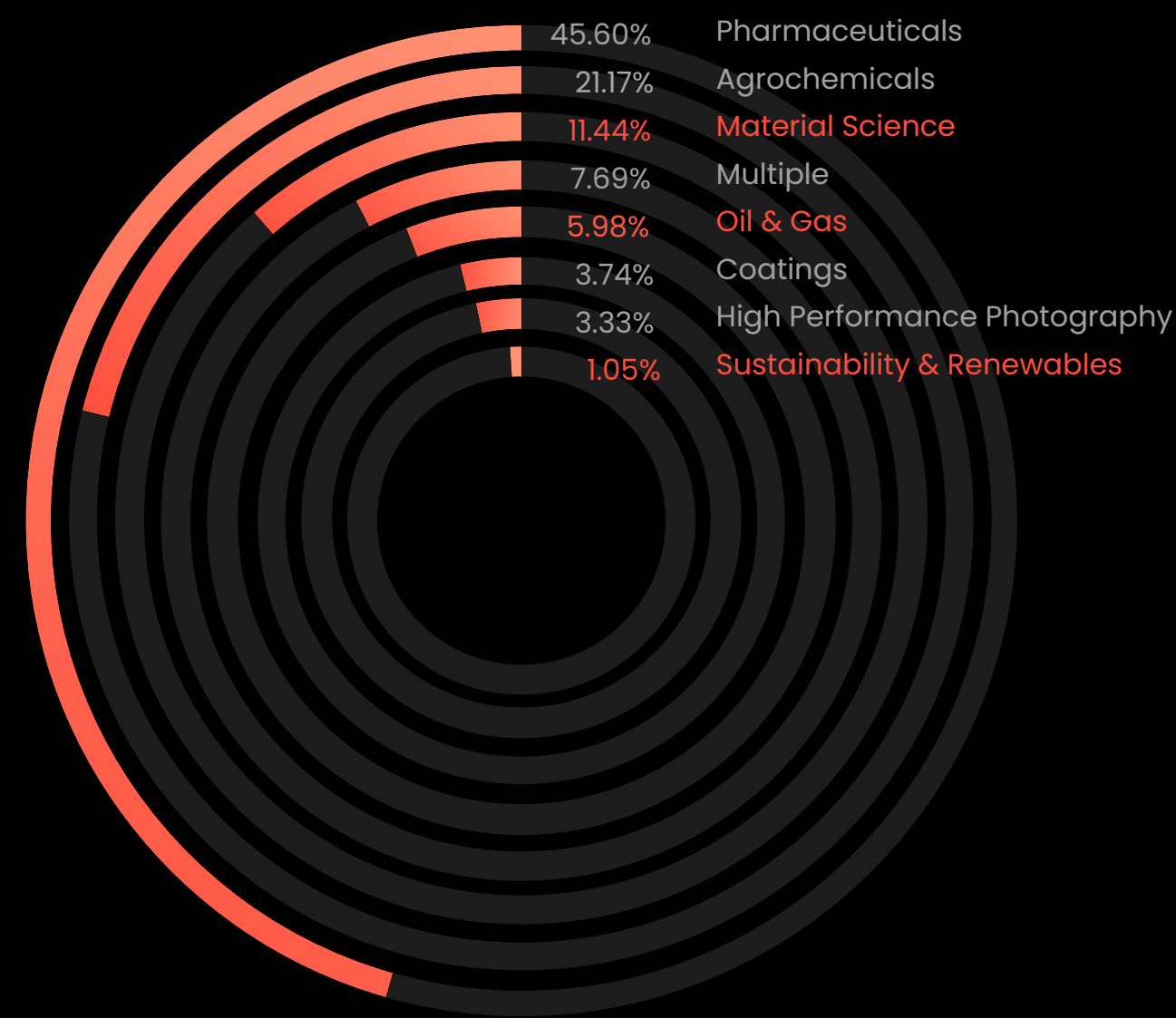
## PAT %



\* Impact due to Fire Accident in FY 2024

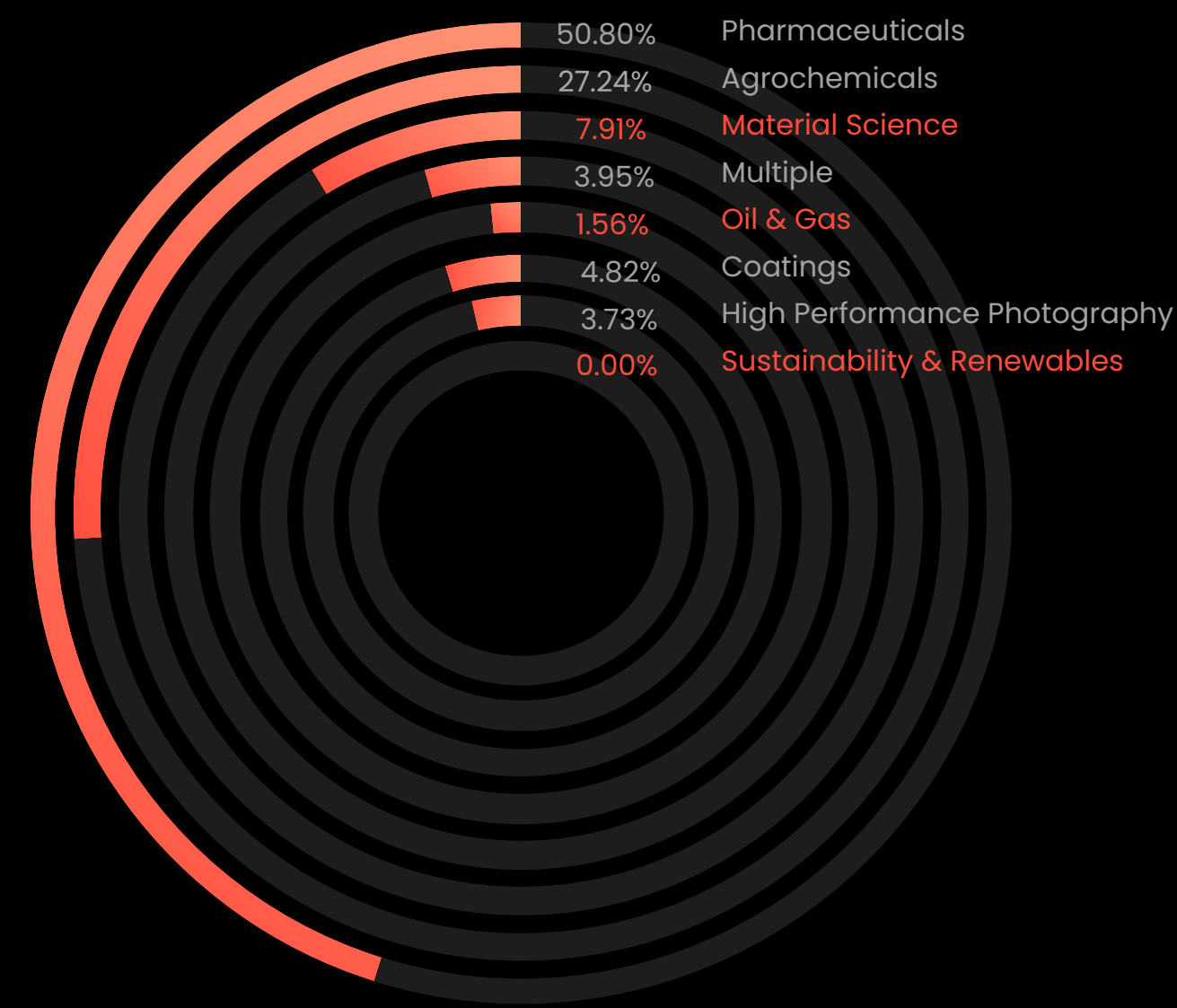


# Business Segments | Revenue



FY25

**Strategic Diversification in Business Segments**  
Aether has evolved from a business led primarily by pharmaceuticals in past, with agrochemicals as the next largest contributor, to a more diversified portfolio today. While revenues from pharmaceuticals and agrochemicals continue to grow each year, their share in the revenue from operations has transitioned as other sectors such as oil & gas and material sciences gain momentum. At the same time, sustainability & renewable segment is emerging as strong pillar of our future growth.



FY24

In the last two years, the share of pharmaceuticals in revenue has moved from 50.8% to 45.6% and agrochemicals from 27.2% to 21.2%, even as absolute revenues in both have increased. This shift reflects rapid growth in other sectors like, material sciences rising from 7.9% to 11.4%, oil & gas from 1.6% to 6.0%, and sustainability & renewables emerging from nil to 1.05%. This diversification marks a decisive step towards building a balanced and future-ready portfolio. These are a result of new contracts entered into by us with Saudi Aramco, Novolooop, Milliken, Baker Hughes, Seqens and many others.



# A Commitment beyond Business



As I reflect on the year gone by, I do so not merely as a director but as someone entrusted with a responsibility to ensure that Aether's growth always carries forward its values, its vision, and its deeper purpose. This year has not just been a milestone. It has been a mirror, reflecting what we truly stand for, and a marker, showing where we are heading.

**"We grow when the communities grow. We progress when the people around us rise."**

Aether's progress has always been deeply connected to the progress of the communities around us. We have never treated CSR as a checklist. It is a commitment that stems from gratitude. Our social responsibility is not shaped by regulation but by belief that growth, to be meaningful, must be shared.

If there is one foundation on which our CSR vision firmly rests, it is education. Nearly 80 percent of our CSR contribution this year was dedicated to educational empowerment. **We believe that education is not just a tool for betterment, it is the root of transformation.** It changes individuals, strengthens families, and ultimately reshapes society. Especially in underserved and tribal areas, education has the power to shift generations forward. At Aether, we do not just support education. We invest in futures with depth, consistency, and care.

Our vision is not limited to literacy. We support the full ecosystem — from school infrastructure to essential resources that ensure continuity in learning. Alongside this, we contributed to initiatives in healthcare, senior citizen care, animal welfare, and sports — areas that reflect our belief in inclusive and compassionate development.

Healthcare remained a key focus for us this year, receiving over 12 percent of our total CSR contribution. But beyond numbers, what defines our healthcare efforts is intention. We focused on ensuring access to essential and preventive care for the most vulnerable because no one should be denied well-being due to where they are born or what they can afford. Health is not a privilege. It is a right. And as we move forward, we see healthcare not just as a support pillar, but as a space for meaningful service and real-world change.

We also supported Sports initiatives that cultivate focus, ambition, and national pride. These contributions, while part of a broader commitment, reflect our recognition of the role sports play in character building and community inspiration.

What binds all our initiatives together is not a budget, but a belief that every act of responsibility carries the power to uplift lives. At Aether, we do not believe in charity. We believe in shared destiny.

**"We are proud that our values are not driven by circumstances but guided by conscience."**

Our values are inspired by nature itself, by the five elements that have long guided Indian thought: earth, water, fire, air, and aether. From earth, we learn grounding, the need to stay rooted in purpose. Water teaches us adaptability, flowing to where the need is greatest. Fire gives us intensity, the will to act with clarity. Air teaches movement, the importance of growth with lightness and openness. And aether, the invisible fifth, reminds us of connection, spirit, and the space we must always leave for others to rise.

These five forces shape not just our CSR philosophy but our larger identity as an organisation. In every initiative we take, we ask ourselves if we are grounded like the earth, responsive like water, purposeful like fire, expansive like air, and inclusive like the aether.

**"Our purpose is not tied to markets. It is rooted in meaning."**

Even in times of uncertainty, our purpose has never wavered. We continue to act not because we have to, but because we deeply believe it matters. At Aether, we do not chase legacy. We build it patiently and quietly through decisions that uplift others and actions that outlive us.

I extend my heartfelt gratitude to our employees, partners, and all stakeholders who walk this journey with us. Your commitment and belief are the silent strength behind every visible success.

As we look ahead, we remain rooted in values and committed to action. In 2025–26, we aim to expand our efforts toward environmental stewardship through initiatives that restore balance between growth and the natural world.

We believe the future will not be shaped by ambition alone, but by wisdom, responsibility, and the quiet strength to do what is right — even when no one is watching.

**Purnima Desai**  
Co-Founder | Director (Finance & Accounts)



# CSR

## Education Supports to 600 Students

65% male, 35% female

## Animal Welfare for 100 Animals

Care for stray and injured animals

## Senior Citizen Support to 80 Individuals

Regular nutritional and essential aid

## Health & Preventive Care for 600 Beneficiaries

Includes eye camps & thalassemia blood support

## Contribution towards Sports Athletes & Sportsmen

Through major initiatives



College bus handed over to S S Mahla College of Nursing for female students, benefitting remote area female students for ease of transit and commute, saving their time and energy, allowing their focus on studies.

20.8025303 ° N | 73.5392216 ° E





Constructed, Dungarda Ashram Shala – Dang, Gujarat | 20.7950695 ° N | 73.4820929 ° E



Dungarda Ashram Shala, Dang, Guajrat | 20.7950695 ° N | 73.4820929 ° E



Constructed Vinoba Ashram Shala, Gadat, Gujarat | 20.9816158 ° N | 73.3544573 ° E



Under construction, S S Mahla School, Dang, Gujarat , for women empowerment | 20.8025303 ° N | 73.5392216 ° E



Contribution towards Sports (Badminton)



Contribution for Sports (Badminton)



Contribution towards Sports (Badminton)



Contribution towards Sports (Football)



The background is a dark, high-contrast photograph of an industrial facility, likely a refinery or chemical plant. It features a long, straight aisle with complex piping, structural steel, and various industrial equipment on both sides. The perspective is looking down the center of the aisle, creating a sense of depth. The lighting is dim, with some highlights on the machinery and structural elements.

05

Statutory Reports

# Report of the Board

To,  
The Members,  
**Aether Industries Limited**

The Board of Aether Industries Limited take pleasure in presenting the 13<sup>th</sup> Board Report along with other Reports of the Company, together with the Standalone

Particulars (₹ in MM)

|                                         |           |           |           |           |
|-----------------------------------------|-----------|-----------|-----------|-----------|
| Income from business operations         | ₹7,885.18 | ₹5,956.69 | ₹8,386.90 | ₹5,981.72 |
| Add : Other income                      | ₹443.16   | ₹442.64   | ₹416.42   | ₹392.07   |
| Total income                            | ₹8,328.34 | ₹6,399.34 | ₹8,803.33 | ₹6,373.80 |
| EBITDA                                  | ₹2,135.79 | ₹1,619.49 | ₹1,176.85 | ₹1,576.94 |
| Less: Finance Cost                      | ₹102.25   | ₹85.17    | ₹129.33   | ₹85.17    |
| Less: Depreciation                      | ₹427.97   | ₹394.15   | ₹450.14   | ₹396.65   |
| Profit before Exceptional items and Tax | ₹2,167.65 | ₹1,277.78 | ₹2,248.58 | ₹1,232.74 |
| Less: Exceptional items                 | ₹118.74   | ₹137.62   | ₹118.74   | ₹137.62   |
| Profit before tax                       | ₹2,048.92 | ₹1,140.17 | ₹2,129.84 | ₹1,095.12 |
| Less: Tax                               | ₹528.01   | ₹259.19   | ₹545.66   | ₹270.22   |
| Profit after tax                        | ₹1,520.91 | ₹880.98   | ₹1,584.18 | ₹824.90   |
| Earnings per Equity Share:              |           |           |           |           |
| Basic (per Equity Share)                | ₹11.47    | ₹6.74     | ₹11.95    | ₹6.31     |
| Diluted (per Equity Share)              | ₹11.47    | ₹6.74     | ₹11.94    | ₹6.31     |

Business operations and affairs of the Company

The Fiscal Year 2025, begun well in-line with the previous fiscal year. The Company was able to operate at an efficient level and maintained the same throughout the year.

The efficiency was observed increased throughout the year and resulted into better results against Fiscal Year 2024.

The Management at the operational level, with the extensive support of the employees, strived to work best with limited resources after the unfortunate accident.

and Consolidated Audited Statement of Accounts and the Auditors’ Report of the Company for the Financial Year ended March 31, 2025.

|           | Standalone |           | Consolidated |
|-----------|------------|-----------|--------------|
| 2025      | 2024       | 2025      | 2024         |
| ₹7,885.18 | ₹5,956.69  | ₹8,386.90 | ₹5,981.72    |
| ₹443.16   | ₹442.64    | ₹416.42   | ₹392.07      |
| ₹8,328.34 | ₹6,399.34  | ₹8,803.33 | ₹6,373.80    |
| ₹2,135.79 | ₹1,619.49  | ₹1,176.85 | ₹1,576.94    |
| ₹102.25   | ₹85.17     | ₹129.33   | ₹85.17       |
| ₹427.97   | ₹394.15    | ₹450.14   | ₹396.65      |
| ₹2,167.65 | ₹1,277.78  | ₹2,248.58 | ₹1,232.74    |
| ₹118.74   | ₹137.62    | ₹118.74   | ₹137.62      |
| ₹2,048.92 | ₹1,140.17  | ₹2,129.84 | ₹1,095.12    |
| ₹528.01   | ₹259.19    | ₹545.66   | ₹270.22      |
| ₹1,520.91 | ₹880.98    | ₹1,584.18 | ₹824.90      |
|           |            |           |              |
| ₹11.47    | ₹6.74      | ₹11.95    | ₹6.31        |
| ₹11.47    | ₹6.74      | ₹11.94    | ₹6.31        |

The Revenue from Operations in current Fiscal Year were reported at ₹ 7,885.18 MM, compared to ₹ 5,956.69 MM in the previous Fiscal Year. EBITDA, in the current Fiscal Year reported at ₹ 1,619.49 MM, compared to ₹ 2,028.16 MM in the previous Fiscal Year. The Profit after Tax of the Company in the current Fiscal Year was ₹ 880.98 MM against the previous Fiscal Year’s Profit after Tax of ₹ 880.98 MM.

Subsidiary, Associate and Joint Venture entities

The Company does not have any Associate or Joint Venture entities. However, a Wholly Owned Subsidiary Company is incorporated, details are mentioned in Form AOC-1, as Annexure-A. During the Fiscal Year

2025, Company made an additional investment into the above Wholly Owned Subsidiary worth ₹100.00 MM.

Name : Aether Speciality Chemicals Ltd.  
CIN : U24290GJ2022PLC135180  
Holding : 100 %

Management Discussion and Analysis Report

There are no material changes and commitments which were reported after end of the Fiscal Year.

Business Responsibility and Sustainability Report

As the Company falls under top 500 listed Companies of India basis the MCap, the Business Responsibility and Sustainability Report (BRSR) in terms of Regulation 34(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Fiscal Year is attached herewith.

Material changes and commitments during after the end of the Fiscal Year

There are no material changes and commitments which were reported after end of the Fiscal Year.

Change in Nature of the Business

During the Fiscal Year under review, the Company pursued the existing stream of business operations without introducing any new business venture. Business activity of the Company remained unchanged throughout the Fiscal Year.

Details of revision of Financial Statement or Annual Report

No revision of the Financial Statements or Annual Report has been made during Financial Year ended March 31, 2025 neither in any of the preceding three Fiscal Years.

Accounting treatment

Since the listing of the Company, the Company has

resorted to adhering to the Indian Accounting Standards (Ind AS).

Share Capital Structure

During the year under review, the Authorised Share Capital of the Company remains unchanged.

Authorized Capital

₹ 1,47,50,00,000 (Rupees One Hundred Forty-seven Crore Fifty Lakh only), comprised of 14,75,00,000 (Fourteen Crore Seventy-five Lakh) Equity Shares of ₹ 10 each.

The Company’s issued share capital structure is as mentioned below:

Issued, Subscribed and Paid-up Capital  
₹ 1,32,59,02,410 (Rupees One Hundred Thirty-two Crore Fifty-nine Lakh Two Thousand Four Hundred Ten only), comprised of 13,25,90,241 (Thirteen Crore Twenty-five Lakh Ninety Thousand Two Hundred Forty-one) Equity Shares of ₹ 10 each.  
All the shares of the Company are in dematerialisation form.

During the Fiscal Year under review, in 4 (four) instances, the issued share capital of the Company was increased, as mentioned here:

Allotment of Shares under ESOS

Through Aether Employee Stock Option Scheme 2021 (AIL ESOS 2021), the Company issued and allotted 39,968 Equity Shares at ₹ 321 each to 223 employees, upon exercising their option, total ₹ 1,28,29,728 was received through this allotment.

Credit rating of the Company

The Company has secured increased credit ratings. In the current Fiscal Year, the Company has maintained an excellent upward trend, and the credit rating of the

# Report of the Board

Company is ICRA A+ for long-term ratings and ICRA A1 for short-term ratings, appraised by M/s. ICRA Limited, in line with the previous year.

The rating was opted on credit exposure of ₹ 246.00 Cr. The Company's performance at considering other external factors made this achievable.

### Transfer of amounts to Investor Education and Protection Fund

The Company does not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund.

### Board and its Committees

The Board of the Company met at regular intervals as specified under the norms under the Companies Act, 2013 for discussing and reviewing various Board and other strategic matters. For more details, kindly refer the Corporate Governance Report. A total 4 (four) Board Meetings were convened during the Fiscal Year under review.

Business transactions were well-arranged throughout the Fiscal Year under review, and accordingly, optimum participation was reported from the Board of Directors.

### Board of Directors and Key Managerial Personnel

The Board of the Company is duly constituted, comprising an adequate number of Executive, Non-Executive, Women Directors and Independent Directors.

At present, the Board is comprised of a total 12 (twelve) Board members, including 3 (women) members. There are 4 (four) Executive Directors, 2 Non-Executive Directors and 6 Independent Directors.

No changes reported in the Board of Directors and Key Managerial Personnel of the Company during the

Reporting period. Business transactions were well-arranged throughout the Fiscal Year under review and accordingly, optimum participation was reported from the Board of Directors.

### Corporate Social Responsibility

During the Fiscal Year under review, the Company fulfilled its CSR obligation of ₹ 29.00 MM during the Financial Year per the requirement, adjusting the previous years' excess spending. Details of CSR activities in accordance with Section 135 read with Schedule VII of the Companies Act, 2013, are provided in the Annexure along with details of the CSR Committee composition.

The Annual Report on CSR is annexed as Annexure-B to this Report.

The CSR Policy of the Company is available on the website of the Company at: <https://aether.co.in/wp-content/uploads/2022/08/CSR-Policy.pdf>

### Directors' retirement by rotation

According to the provisions of Section 152(6) of the Companies Act, 2013 and as per terms framed under the Articles of Association of the Company, Ms. Purnima Ashwin Desai and Mr. Kamalvijay Ramchandra Tulsian will be retiring by rotation at the forthcoming Annual General Meeting and being eligible, to offer themselves for reappointment. The Board recommends their re-appointment.

### Declaration by Independent Directors

The Board of Directors of the Company hereby confirm that all the Independent Directors have been duly appointed by the Company and they have given the declaration that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and as per the SEBI (LODR) Regulations, 2015.

### The Board's evaluation

The Board evaluated the effectiveness of its functioning and that of the Committees and of Individual Directors by seeking their inputs on various aspects of the Board / Committees' governance. Also, several new initiatives were introduced for the overall evaluation of the Board.

The aspects covered in the evaluation included the contribution to and monitoring of corporate governance practices, participation in the long-term strategic planning and the fulfilment of Directors' obligations and fiduciary responsibilities, including but not limited to, active participation at the Board and the Committee meetings. The Chairman of the Board had a one-on-one meeting with the Independent Directors, and the Chairman of the Nomination and Remuneration Committee had a one-on-one meeting with the Executive and Non-Executive Directors. These meetings were intended to obtain Directors' inputs on the effectiveness of the Board / the Committee processes. The Board considered and discussed the inputs received from the Directors, and also on basis of their critical input during the fire accident was taken into consideration. Further, the Independent Directors at their meeting reviewed the performance of the Board, Chairman of the Board and of Non-Executive Directors.

The Policy can be accessed at: <https://aether.co.in/wp-content/uploads/2024/09/BoardEvaluationPolicy.pdf>

### Familiarization program for Independent Directors

In the reporting Fiscal Year, 2 (two) familiarisation programs including a site visit, was hosted by the Company for its Independent Directors. Details of such a program is hosted on the website of the Company, accessible at: <https://aether.co.in/wp-content/uploads/2025/08/FamiliarisationProgram of IndependentDirectors - FINAL.pdf>

### Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors of the Company confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with a proper explanation relating to material disclosures;
- (b) The Directors had selected such accounting policies and applied them consistently, and made judgments and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the Company at the end of the Fiscal Year and of the profit and loss of the Company for that period;
- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- (d) The Directors had prepared the annual accounts on a going concern basis; and
- (e) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### Internal Financial Controls

The Internal Financial Control System (IFCS) of the Company has been set out upon considering the following measures:

- (f) That IFCS are commensurate with the size and nature of its operations.
- (g) All legal and statutory compliances are ensured on a monthly basis. Non-compliance, if any, is seriously taken by the management and corrective actions are taken immediately. Any amendment is regularly updated by internal as well as external



# Report of the Board

- (a) agencies in the system.
- (b) Approval of all transactions is ensured through a pre-approved Delegation of Authority Schedule which is reviewed periodically by the Management.
- (c) The Company follows a robust internal audit process. Transaction audits are conducted regularly to ensure the accuracy of financial reporting, and the safeguard and protection of all the assets. Verification of Fixed Assets is done on an annual basis. The audit reports for the above audits are compiled and submitted to the Board of Directors for review and necessary action.

The Company has tried to put the best-in-class IFCS for the optimum output.

### Deposits

The Company has not accepted any deposit from the general public within the meaning of Section 73 of the Companies Act, 2013 and Rules framed thereunder.

### Loans, Guarantees and Investments

Earlier, the Company had given an unsecured loan worth ₹ 1,045.55 MM to M/s. Aether Speciality Chemicals Limited, the Wholly Owned Subsidiary, during the reporting period. Later, it was converted into Equity Shares.

### Related Party Transactions

All the Related Party Transactions that were entered into during the Fiscal Year were in the ordinary course of business and at arm’s length price.

There are no materially significant Related Party Transactions made by the Company with Promoters (incl. Promoter Group individuals), Directors, Key Managerial Personnel and Group Companies.

Particulars of such transactions with related parties are duly noted on accounts forming part of the Financial Statements.

### Energy conservation, Technology Absorption and Foreign Exchange Earnings & Outgo

Information on conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are mentioned here under:

#### (a) Conservation of Energy

The steps taken or impact on conservation of energy: The Company is taking all the efforts to save electricity and other resources to conserve energy and utilise the same optimally.

Strict adherence is cultivated in all the members in the Company to save electricity and other resources. The Company through the Purchase Power Agreement, using the capacity of 1.6 MW electricity generated through the solar, installed close to the end of the Fiscal Year, as a result of it, total 15 Lakh unit of electricity was saved out with that.

Further, additional 100 TR Brine Chiller for the new utility, additional 75HP Cooling Tower and DP 60 air compressor became operational.

#### (b)The steps taken by the company for utilizing alternate sources of energy

The Company has entered into a Purchase Power Agreement to avail the benefit in the form of rebate from the electricity consumed for the manufacturing facility. The service provider will produce the electricity through solar power plant installed and that will lead to redemption in the electricity bills. The Company has ordered the execution of 15 MW Solar Power Project (Auto-Tracker Modules) under Captive Power Producer (CPP) segment of which 5MW Solar Power Plant is operational and function now.

The Company has installed Variable Frequency

Devices (VFDs) along with Distributed Control System (DCS), dedicated automated dedicated energy meters in various high-power consuming equipment to optimize the usage.

The capital investment in energy conservation equipment (Solar Power): The Company has, for the Solar Captive Power Agreement, invested ₹374.63 MM, up to March 31, 2024.

The efforts made towards technology absorption: The Company has developed its own technologies for the development of various products and services, which it is selling/imparting to its various customers, all over the world.

The Company has installed an in-house Solvent Recovery Plant (‘SRP’) for recovering the materials from mixed solvents generated and the recovered materials are again usable for the manufacturing process. That has led to eliminate dependency on the outside job work for recovery from solvents as a cost-effective measure through reduction in job work charges, which were exorbitant till the last Fiscal Year.

from the electricity consumed for the manufacturing facility. The service provider will produce the electricity through a solar power plant installed, and that will lead to a reduction in the electricity bills.

The Company has completed the execution of 15 MW Solar Power Project (Auto-Tracker Modules) under the Captive Power Producer (CPP) segment, which has started saving into the energy bills of the Company.

The capital investment in energy conservation equipment (Solar Power): The Company has, for the Solar Captive Power Agreement, invested ₹374.63 MM, up to March 31, 2025.

The efforts made towards technology absorption: The Company has developed its own technologies for the development of various products and services, which it is selling/imparting to its various customers, all over the world.

#### (c)Foreign Exchange Earnings and Outgo

The Foreign Exchange earned and the Foreign Exchange outgo during the Fiscal Year 2025: Earning: ₹ 3,314.53 MM Outgo: ₹ 474.64 MM

### Annual Return

The web-link of Annual Return as in Form No. MGT-7 is <https://aether.co.in/investor-relations/#financial-performance-and-presentation>, for your kind perusal and information.

### Risk Management

A formal, enterprise wide approach to Risk Management is being adopted by the Company and key risks are being managed within a unitary framework. As a formal roll-out, all business divisions and corporate functions will embrace Risk Management Policy and Guidelines, and to make use of these in the decision making. Key business risks and their mitigation are considered in the annual / strategic business plans and in periodic management reviews. The risk management process in our multi-business, multi-site operations, over the period of time have been embedded into the Company’s business systems and processes, such that Company’s response to risk remain current and dynamic as per conditions.

This also became helpful during the fire accident at the Manufacturing Site-2. The Company has also formed a Risk Management Committee, details of which are mentioned in the Corporate Governance Report, as Annexure-G.



# Report of the Board

## Vigil Mechanism

The Company has established a Vigil Mechanism cum Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The Policy has a systematic mechanism for Directors and Employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company’s Code of Conduct or policy.

This mechanism is also being reviewed by the Board of Directors every quarter in their Meeting and suggests improvements / feedback / thereon, if any.

Once again in this Fiscal Year under review as well, no such instances have been reported under unethical and prohibited context. Vigil Mechanism cum Whistle Blower Policy is placed on the website of the Company, accessible at: <https://aether.co.in/wp-content/uploads/2024/09/WhistleBlowerPolicyVigilMechanism.pdf>

## Regulatory action

There was no regulatory action from any of the Regulators or Authorities on the Company.

## Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rules framed thereunder, M/s. Dhirren R. Dave & Company, Company Secretary in practice, was appointed as the Secretarial Auditor of the Company for the Fiscal Year 2025. They undertook the Secretarial Audit activity with utmost depth and integrity. All the conducts of the Company were found in line with the stipulated norms, and the compliance system was found in line with the laws, and no instance of any material misconduct was found in the audit.

The Secretarial Audit Report for the Fiscal Year ended March 31, 2025, is annexed herewith as Annexure-E. The Report does not contain any qualifications, reservations, adverse remarks or disclaimers.

## Cost Audit

Maintenance of cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, is maintained by the Company and accordingly, such accounts and records are made and maintained. For the Fiscal Year under review, M/s. PAAA & Associates, Cost Accountants, undertook the Cost Audit of the Company. The Board, on the recommendation of the Audit Committee for the Fiscal Year 2025, have approved their remuneration, which is included in the Notice of the forthcoming Annual General Meeting of the Company, seeking ratification by the Members.

The Cost Auditor has confirmed that their appointment is within the purview of Section 143 of the Companies Act, 2013 and they confirm that they are free from any disqualification.

## Internal Audit

The Board appointed Ms. Riddhi Chitaliya, Chartered Accountant, as the Internal Auditor of the Company as per Section 138 of the Companies Act, 2013, to conduct the Internal Audit of the Company, for the Fiscal Year under review.

## Employee Stock Option Scheme

Pursuant to the Resolutions of the Board of Directors dated November 18, 2021, and Shareholders’ Resolution dated November 18, 2021, the Company has instituted Aether Industries Limited Employees Stock Option Plan Scheme 2021 (hereinafter “ESOS Scheme 2021”). The ESOS Scheme 2021 is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, later duly ratified by the Shareholders as well in the Annual General Meeting.

The Company has introduced the Aether Industries Limited Employees Stock Option Scheme 2021 (AIL ESOS 2021) primarily with a view to attract, retain, incentivise

and motivate the existing employees of the Company. The AIL ESOS 2021 contemplates the grant of options to eligible employees, as may be determined in due compliance of SEBI SBEB Regulations and provisions of the AIL ESOS 2021.

After vesting of options, the Eligible Employees earn a right (but not an obligation) to exercise the vested options within the exercise period and obtain equity shares of the Company subject to payment of exercise price and satisfaction of any tax obligation arising thereon. Details of the ESOP are contained in Annexure-D.

## Secretarial Standards

The Company has duly complied with applicable Secretarial Standards issued by the Institute of Company Secretaries of India on the Board and the General Meetings of the Company (SS-1 and SS-2) from time to time.

## Reporting of fraud by Auditors

There is no qualification, reservation or adverse remarks made by M/s. Birju S. Shah & Associates, Statutory Auditors in their Audit Report, M/s. Dhirren R. Dave & Company, Secretarial Auditors in their Secretarial Audit Report, and Ms. Riddhi Chitaliya, Internal Auditor in her Internal Audit Report.

Apart from it, no such instance of fraud committed to Company by its employees or officers has been reported to the Audit Committee under Section 143(12) of the Companies Act, 2013.

## Remuneration detail of employees

Pursuant to Rule 5(1) of Companies (Appointment and Remuneration) Rules, 2014, a statement regarding top ten employees in terms of remuneration drawn and other details of the employees as prescribed has to be provided in the Board Report. Details regarding the same are attached as Annexure-E.

## Human Resources and Industrial Relations

The Company takes pride in the commitment, competence and dedication of its employees in all areas of the business. The Company has a structured induction process at all locations and management development programs to upgrade the skills of managers and other employees. Objective appraisal systems based on Key Result Areas (KRAs) are in place for various employees and the system is always being implemented towards an unbiased appraisal system.

The Company is committed to nurturing, enhancing and retaining its top talent through superior learning and organizational development. This is a part of our Corporate HR function and is a critical pillar to support the organization’s growth.

The Company has aligned and collaborated R&D activities with many institutions and Universities in India. Company has associated with National Chemical Laboratory (NCL, Pune), Institute of Chemical Technology (ICT, erstwhile UDCT, Mumbai), Uka Tarsadia University (UTU, Bardoli) and Sardar Vallabhbhai National Institute of Technology (SVNIT, Surat). Also, it has contributed towards the programs for chemical engineer aspirants which, includes industrial training.

The Company has its own sponsored PhD programs which are ongoing for getting PhD research and degree done for its R&D team with above named Institutes.

## Environment, Health and Safety Protection

The Company's Health and Safety Policy commits to comply with applicable legal and other requirements concerning Occupational Health, Safety and Environment matters The Company has a due system for environmental issues, health and safety issues concerned with the employees and the same is reviewed at regular intervals.



# Report of the Board

### Disruption of activities due to a fire accident

On November 29, 2023, an unfortunate accident of fire break-out resulted in the loss of 11 precious lives and 23 workers were injured. The Company completely took the onus of the accident and has compensated the relatives of the deceased. The families of the deceased were compensated with ₹ 5.00 MM per family, acknowledging the tragic loss they had experienced.

During the year under review, the Company received the No Objection from the Gujarat Pollution Control Board (GPCB) to resume the operation at full capacity. Also, the clean chit was received without any fine/penalty or other obligation from the ‘National Green Tribunal’.

As of March 31, 2025, the affected manufacturing facility was fully operative.

### Anti-Sexual Harassment Policy

The Company has in place a Policy on Prevention of Sexual Harassment at Premises, in line with the requirements of Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. There is a Committee as well to deal with and provide the redressal in the matter, if reported. However, no such instances have been reported in the reporting year.

### Appreciation and Acknowledgement

The Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. The Board places on record its appreciation for the support and cooperation, your company has been receiving from its Suppliers, Retailers, Dealers & Distributors and others associated with the Company. The Directors also take this opportunity to thank all Clients, Vendors, Banks, Regulatory Authorities, Government and every Stakeholder for their continuous support.

For Aether Industries Limited  
Ashwin Desai  
Managing Director | DIN: 00038386

Rohan Desai  
Whole Time Director | DIN: 00038379

July 24, 2025

## ANNEXURE – A

### FORM NO. AOC-1

(Pursuant to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

### Statement containing salient features of the Financial Statement of Subsidiary

| Details                                                                                                                     | Particulars (In ₹ MM)       |
|-----------------------------------------------------------------------------------------------------------------------------|-----------------------------|
| Name of the Subsidiary                                                                                                      | Aether Speciality Chemicals |
| Date since when subsidiary was acquired / formed                                                                            | 02.09.2022                  |
| Reporting period for the subsidiary concerned, if different from the holding company’s reporting period                     | 01.04.2024 to 31.03.2025    |
| Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | Indian Rupees               |
| Share capital                                                                                                               | ₹1.00                       |
| Reserves & Surplus                                                                                                          | ₹1074.59                    |
| Total Assets                                                                                                                | ₹2243.62                    |
| Total Liabilities                                                                                                           | ₹1168.02                    |
| Turnover                                                                                                                    | ₹505.22                     |
| Profit / (Loss) Before Taxation                                                                                             | ₹98.25                      |
| Taxation                                                                                                                    | ₹17.65                      |
| Profit / (Loss) After Taxation                                                                                              | ₹80.60                      |
| Proposed Dividend                                                                                                           | ₹0.00                       |
| % of Shareholding                                                                                                           | 100.00%                     |
| Subsidiary which is yet to commence operations                                                                              | Operational Subsidiary      |
| For Aether Industries Limited<br>Ashwin Desai<br>Managing Director   DIN: 00038386                                          |                             |
| Rohan Desai<br>Whole Time Director   DIN: 00038379                                                                          |                             |
| July 24, 2025                                                                                                               |                             |

## ANNEXURE – B

### ANNUAL REPORT ON CSR ACTIVITIES FOR FY 2025

(Pursuant to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

### 1. Brief outline on CSR Policy, program and scope of the Company

The Company throws the light and focus on the underprivileged and marginalized area of the society, economy and the environment. It is always in the back-drop of the philosophy of the Company that what the Company has achieved so far, the Company shall pay-back the same to the society or the environment, as all are inter-related to each other and one cannot exist without any of the above.

Accordingly, Company through ‘Aether Foundation’ and with any other such Organisations, strives to reach to the needy for their betterment and upliftment. The Company has duly formed the Policy for identification of such area and other aspects where the Company can serve to the needy. Primarily, the Company is more driven towards educational support to the rural students and health concerned area.

### 2. Composition of the CSR Committee

| Name of the Director              | Designation / Nature of | No. of Committee Meetings Held | Attende |
|-----------------------------------|-------------------------|--------------------------------|---------|
| Ms. Purnima Ashwin Desai          | Chairperson / Executive | 1                              | 1       |
| Mr. Kamalvijay Ramchandra Tulsian | Member / Non-Executive  | 1                              | 1       |
| Mr. Jeevan Lal Nagori             | Member / Independent    | 1                              | 1       |
| Ms. Leja Satish Hattiangadi       | Member / Independent    | 1                              | 1       |
| Mr. Jitendra Popatlal Vakharia    | Member / Independent    | 1                              | 1       |



Report of the Board

3. Details of URL for disclosure of the composition of the CSR Committee, CSR Policy and CSR projects on the website of the Company: [www.aether.co.in](http://www.aether.co.in)

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: Not applicable

5. CSR Obligations:

(a) Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and the amount required for set off for the financial year, if any: None

(b) Average net profit of the Company as per Section 135(5): ₹1,449.90 MM

(c) 2% of average net profit of the Company as per Section 135(5): ₹28.63 MM

(d) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: ₹28.65 MM

(e) The amount required to be set off for the financial year: ₹0.32 MM

(f) Total CSR obligation for the financial year: ₹28.33 MM

6. CSR spending

(a) Details of amount spent (ongoing and other than ongoing project) for the financial year: ₹28.63 MM

(b) Administrative overhead: None

(c) Total CSR spent and unspent for the financial year: Spent: ₹28.63 MM | Unspent: None

(d) Excess amount for set-off

2% of average net profit of the Company as per Section 135(5): ₹28.65 MM

Total amount spent for CSR: ₹0.32 MM

Excess amount spent: ₹0.32 MM

Surplus arising out of CSR projects of previous year: None

Amount available for set-off: None

7. Details of unspent CSR amount for the preceding three financial years: None

8. Whether any capital asset have been created or acquired through CSR in the financial year? None

9. Details of the CSR spending:

| Nature | Entity                                  | Spending<br>(₹ in MM) |
|--------|-----------------------------------------|-----------------------|
|        | Ambika Education Trust                  | ₹2.00                 |
|        | Adarsh Kelvani Mandal                   | ₹0.50                 |
|        | Indian Chemical Society                 | ₹1.19                 |
|        | Institute of Chemical Technology        | ₹1.23                 |
|        | Mahla Charitable Education Trust        | ₹5.80                 |
|        | Promoting education                     |                       |
|        | Ankleshwar Rotary Education Society     | ₹0.43                 |
|        | GCSA Foundation                         | ₹0.50                 |
|        | Gram Seva Samaj                         | ₹4.20                 |
|        | Kalki Tejomaya Charitable Trust         | ₹0.20                 |
|        | KBN Charitable Trust                    | ₹0.50                 |
|        | Khadi Kutir                             | ₹4.00                 |
|        | Sparsh Samvedana Foundation             | ₹1.00                 |
|        | Vanvasi Vikas Mandal                    | ₹0.70                 |
|        | Animal                                  |                       |
|        | Nature Club                             | ₹0.50                 |
|        | Aether Foundation                       | ₹0.20                 |
|        | Promoting and preventive healthcare     |                       |
|        | Manav Seva Trust                        | ₹0.02                 |
|        | Surat Manav Seva Sangh                  | ₹2.50                 |
|        | Surat Raktadan Kendra & Research Center | ₹0.65                 |
|        | Sports                                  |                       |
|        | Aether Foundation                       | ₹1.32                 |
|        | Kifi Association                        | ₹0.50                 |
|        | Sr. Citizen welfare                     |                       |
|        | A J Charitable Trust                    | ₹0.10                 |
|        | Jivan Vikas Trust                       | ₹0.60                 |
|        | Total                                   | ₹28.63                |

For Aether Industries Limited  
Ashwin Desai  
Managing Director | DIN: 00038386

Rohan Desai  
Whole Time Director | DIN: 00038379

July 24, 2025

ANNEXURE – C

FORM NO. MR-3  
Secretarial Audit Report for the FY 2025

(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9(1) of the Companies (Appointment and Remuneration Personnel) Rules, 2014)

To,  
The Members,  
Aether Industries Limited

CIN: L24100GJ2013PLC073434

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Aether Industries Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us with a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information and representation provided by the Company, its officers, agents and authorized representatives during the conduct of the secretarial audit, We hereby report that, in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2025, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

(a) We have examined the books, papers, minute books, forms and returns filed and other records



# Report of the Board

maintained by the Company for the financial year ended on March 31, 2025 according to the provisions of:

- The Companies Act, 2013 (the Act) and the rules made thereunder;
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

The following Regulations and Guidelines as prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
- The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2018 – Not Applicable
- The Securities and Exchange Board of India

(Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client

- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – There are no events occurred during the year which attracts provisions of these regulations hence not applicable and
- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; There are no events occurred during the year which attracts provisions of these regulations hence not applicable
- The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015
- Other as mentioned below:
- The Factories Act, 1948
- The Industrial Disputes Act, 1947
- The payment of Wages Act, 1936
- The Minimum Wages Act, of 1948
- Employee State Insurance Act, 1948
- The Employees Provident Fund and Miscellaneous Provisions Act, 1952
- The Payment of Bonus Act, 1965
- The Payment of Gratuity Act, 1972
- The Contract Labour (Regulation and Abolition) Act, 1970
- The Maternity Benefit Act, 1961
- The Child Labour (Prohibition and Regulation) Act, 1986
- The Industrial Employment (Standing Orders) Act, 1946
- The Employees Compensation Act, 1923
- The Apprentices Act, 1961
- The Equal Remuneration Act, 1976
- The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959
- The Environment (Protection) Act, 1986 (read with The Environment (Protection) Rules, 1986

- The Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008
- The Water (Prevention and Control of Pollution) Act, 1974 (read with Water (Prevention and Control of Pollution) Rules, 1975
- The Air (Prevention and Control of Pollution) Act, 1981 (read with Air (Prevention and Control of Pollution) Rules, 1982

We have also examined compliance with the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

- (b) We further report that;
- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. No change occurred in the BoD composition during the year. Adequate Notices were issued to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, except those which were held with at a shorter notice with the consent of all the Directors. And a system exists for seeking and obtaining further information and clarifications on the agenda items before the Meeting and for meaningful participation at the Meeting.

All the decisions were approved unanimously and there were no dissenting members' views as recorded as part of the Minutes.

- (c) We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor

and ensure compliance with applicable laws, rules, regulations and guidelines.

- (c) We further report that during the audit period, the Company has not taken any actions or entered into events having a major bearing on the Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc.

This Report is to be read with our letter dated July 21, 2025 which is annexed and forms an integral part of this Report.

For Dhirren R. Dave & Company  
Company Secretaries

Pinal Kandarp Shukla  
Principal Partner | UIN: P1996GJ002900

PR No.: 44/022 | ACS: 28553  
CP: 10265 | UDIN: A028554G000823689

July 21, 2025



Report of the Board

To,  
The Members,  
Aether Industries Limited

CIN: L24I00GJ2013PLC073434

Our Report of even date is to be read along with this letter.

- (a)Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- (b)We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- (c)We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- (d)Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- (e)The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
- (f) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the

efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Dhirren R. Dave & Company  
Company Secretaries

Pinal Kandarp Shukla  
Principal Partner | UIN: P1996GJ002900

PR No.: 44/022 | ACS: 28553  
CP: 10265 | UDIN: A028554G000823689

July 21, 2025

ANNEXURE – D

DETAILS OF AIL ESOS 2021

- (a)Any material changes in the Scheme and whether the scheme is in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021: There are no material changes in the scheme. The scheme was formulated in-line with the requirement and was issued prior to the listing of the Company and hence, the scheme was placed before the Members for their ratification in line with the Regulation and the maximum vesting tenure was also increased to 15 (fifteen) years from 7 (seven) years.
- (b)Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of Section 133 of the Companies Act, 2013 (18 of 2013) including the ‘Guidance note on accounting for employee share-based payments’ issued in that regard from time to time. Kindly refer ‘Annexure – Statement of Changes in Equity’ of the Standalone Financial Statements.
- (c)Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with ‘Accounting Standard 20 – Earnings Per Share’ issued by Central Government or any other relevant accounting standards as issued from time to time: ₹ 11.47
- (d)Details related to ESOS

|                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including: | The Company proposes to introduce the AIL ESOS 2021 primarily with a view to attract, retain, incentivise and motivate the existing employees of the Company, new employees joining the Company, that would lead to higher corporate growth. The AIL ESOS 2021 contemplates grant of options to the eligible employees, as may be determined in due compliance of SEBI SBEB Regulations and provisions of the AIL ESOS 2021. After vesting of options, the Eligible Employees earn a right (but not an obligation) to exercise the vested options within the exercise period and obtain equity shares of the Company subject to payment of exercise price and satisfaction of any tax obligation arising thereon. |
| Date of Shareholders’ approval                                                                                                           | The Nomination and Remuneration Committee (Committee) of the Company shall administer AIL ESOS 2021. All questions of interpretation of the AIL ESOS 2021 shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in AIL ESOS 2021. November 18, 2021. The scheme was approved vide the Special Resolution passed on November 18, 2021 and further ratified and modified in Annual General Meeting held on September 27, 2022.                                                                                                                                                                                                                 |
| Total number of options approved                                                                                                         | 11,00,000 Options                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |



Report of the Board

|                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                |                                                                                                                                                                                                                     |               |                                                                                                                                                                                                         |                                                                                                                                               |                                                                                                |                                                                                                                                                                                                                                                                                                                           |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Vesting requirements                                                                                                                                                                                                                                                                                                                                                                            | Options granted on any date shall vest not earlier than 1 (one) year and not later than a maximum of 15 (fifteen) years from the date of grant of options as may be determined | <b>Option movement during the year (for each ESOS)</b>                                                                                                                                                              |               | Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to -                                                                |                                                                                                                                               | the expected dividends,                                                                        | Considered 0%                                                                                                                                                                                                                                                                                                             |
|                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                | Number of options outstanding at the beginning of the period                                                                                                                                                        | 2,79,232      |                                                                                                                                                                                                         |                                                                                                                                               | the risk-free interest rate and any other inputs to the model;                                 | 5.72%, 5.96%, 6.19%, 6.29% 6.36%, 6.37% and 6.48% each in on every exercise date in year 2022, 2023, 2024, 2025, 2026, 2027 and 2028                                                                                                                                                                                      |
| Exercise price or pricing formula                                                                                                                                                                                                                                                                                                                                                               | The exercise price per option shall be at the price determined by the Board / Committee and in no case less than face value of the                                             | Number of options granted during the year                                                                                                                                                                           | 46,671        | Senior Managerial Personnel as defined under Regulation 16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;                        | Mr. James William Ringer (Chief Technology Officer)                                                                                           | the method used and the assumptions made to incorporate the effects of expected early exercise | Black-Scholes-Merton model are: The price of underlying instrument follows geometric Brownian motion with constant drift and volatility, and price changes are log normally distributed.                                                                                                                                  |
| Maximum term of options granted                                                                                                                                                                                                                                                                                                                                                                 | 8 years for already granted options                                                                                                                                            | Number of options forfeited/lapsed during the year                                                                                                                                                                  | 12,386        | Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; and                                                                       | 11,805 Options at exercise price of ₹ 885 each                                                                                                |                                                                                                | It is possible to short sell the underlying stock.                                                                                                                                                                                                                                                                        |
| Source of shares (primary, secondary or combination)                                                                                                                                                                                                                                                                                                                                            | Primary, the shares exercised will be listed on the Stock Exchanges.                                                                                                           | Number of options vested during the year                                                                                                                                                                            | 39,968        |                                                                                                                                                                                                         | Same as above                                                                                                                                 |                                                                                                | There are no arbitrage opportunities. Trading in stock is continuous. There are no transaction costs or taxes.                                                                                                                                                                                                            |
|                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                | Number of options exercised during the year                                                                                                                                                                         | 39,968        | Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant. | None                                                                                                                                          |                                                                                                | It is possible to buy and sell any amount, even fractional, of the stock (securities are perfectly divisible).                                                                                                                                                                                                            |
| Variation in terms of options                                                                                                                                                                                                                                                                                                                                                                   | N.A.                                                                                                                                                                           | Number of shares arising as a result of exercise of options                                                                                                                                                         | 39,968        | A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:                                                 |                                                                                                                                               |                                                                                                | It is possible to borrow and lend cash at a constant risk-free interest rate.                                                                                                                                                                                                                                             |
| Method used to account for ESOS                                                                                                                                                                                                                                                                                                                                                                 | Fair Value Method                                                                                                                                                              | Money realized by exercise of options (₹), if scheme is implemented directly by the Company                                                                                                                         | ₹ 1,28,29,728 | the weighted-average values of share price and exercise price,                                                                                                                                          | ₹ 862.14 per Share and ₹ 321.00 per Share respectively                                                                                        | the method used and the assumptions made to incorporate the effects of expected early exercise | The volatility input, measured in % per year, is how much you generally expect the underlying Security to move during option. The measure of volatility used in Black-Scholes option pricing model is the annualized standard deviation of the continuously compounded rate of return on the stock over a period of time. |
| Where the Company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed. | N.A.                                                                                                                                                                           | Loan repaid by the Trust during the year from exercise price received                                                                                                                                               | N.A.          | the expected volatility                                                                                                                                                                                 | 41.64%, 40.62%, 41.21%, 40.77%, 41.31%, 41.35% and 41.89% each in on every exercise date in year 2022, 2023, 2024, 2025, 2026, 2027 and 2028. | whether and how any other features of the options granted were incorporated                    | The stock price of the Company is the price as on date of grant as per valuation report. (as the options were granted prior to the date of listing.) The risk-free interest rate being considered for the calculation is the                                                                                              |
|                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                | Number of options outstanding at the end of the year                                                                                                                                                                | 2,73,549      |                                                                                                                                                                                                         |                                                                                                                                               |                                                                                                |                                                                                                                                                                                                                                                                                                                           |
|                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                | Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock. | ₹ 622.40      |                                                                                                                                                                                                         |                                                                                                                                               |                                                                                                |                                                                                                                                                                                                                                                                                                                           |



Report of the Board

into the measurement of fair value, such as a market condition.

interest rate applicable for maturity approximately equal to the expected life of the options based on the zero-coupon yield curve for government securities. Expected dividend yield is

For Aether Industries Limited  
Ashwin Desai  
Managing Director | DIN: 00038386

Rohan Desai  
Whole Time Director | DIN: 00038379

July 24, 2025

ANNEXURE – E

DISCLOSURE UNDER SECTION 197(12) OF COMPANIES ACT, 2013

(a)The ratio of remuneration of each director to the median remuneration of the employees of the Company and the percentage increase in remuneration of each director, for the financial year:

| Name of the Director drawing | Total Remunerati on (₹) | Ratio   | % Increase in Remuneration |
|------------------------------|-------------------------|---------|----------------------------|
| Mr. Ashwin Jayantilal Desai  | ₹ 13.65 MM              | 35.79:1 | 0%                         |
| Ms. Purnima Ashwin Desai     | ₹ 13.65 MM              | 35.79:1 | 0%                         |
| Mr. Rohan Ashwin Desai       | ₹ 19.47 MM              | 51.07:1 | 0%                         |
| Dr. Aman Ashwinbhai          | ₹ 20.48 MM              | 53.69:1 | 0%                         |

(b)The percentage increase in remuneration of CFO, CS in the Fiscal Year:  
CFO: ~20%  
CS: ~15%

(c)The percentage increase in the median remuneration of employees in the Fiscal Year:  
~15 %

(d)The number of permanent employees on the rolls of Company as on March 31, 2025:  
970 Employees

(e)Details of top ten highest paid employees except above is accessible at website of the Company, at: <https://aether.co.in/investor-relations/#financial-performance-and-presentation>

(f) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and explanation if there are any exceptional circumstances for increase in the managerial remuneration:  
The average increase in salary of employees was 15%, There is no exceptional reason for the increase in the managerial remuneration. It is affirmed that the remuneration paid is in adherence with the remuneration Policy applicable to Directors, Key Managerial Personnel and other employees.

For Aether Industries Limited  
Ashwin Desai  
Managing Director | DIN: 00038386

Rohan Desai  
Whole Time Director | DIN: 00038379

July 24, 2025

ANNEXURE – F

CORPORATE GOVERNANCE REPORT

Corporate Governance refers to the set of systems, principles and processes by which a company is governed. They provide the guidelines as to how the company can be directed or controlled such that it can fulfil its goals and objectives in a manner that adds to the value of the company and is also beneficial for all stakeholders in the long term. Stakeholders in this case would include everyone ranging from the Board of Directors, management, shareholders to customers, employees and society at large. The management of the Company hence assumes the role of a trustee for all the others.

The Equity Shares of the Company are listed and admitted to dealings on BSE Limited and the National Stock Exchange of India Limited with effect from June 3, 2022. Pursuant to the provisions of Regulation 34 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, a report on Corporate Governance for the financial year ended March 31, 2025 is furnished herewith.

(A) Company's philosophy on Corporate Governance  
This report is prepared in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), and the report contains the details of Corporate Governance systems and processes at Aether Industries Limited. Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders We consider stakeholders as partners in our success, and we remain committed to maximising stakeholders' value, be it shareholders, employees, suppliers, customers,



Report of the Board

investors, communities or policy makers. This approach to value creation emanates from our belief that sound governance system, based on relationship and trust, is integral to creating enduring value for all. We believe that any business conduct can be ethical only when it rests on the core values. The Company believes that all its actions must serve the underlying goal of enhancing the overall stakeholder value over a sustained period of time.

(B)Board of Directors

Size and composition of the Board – The Company believes that an active, well-informed and independent Board of Directors is vital to achieve the apex standard of Corporate Governance. The Board has a fiduciary relationship in ensuring that the rights of all stakeholders are protected.

The Board of Directors of the Company comprises of an optimal combination of Executive, Non-Executive and Independent Directors so as to preserve and maintain the independence of the Board. As of March 31, 2025, the Board of Directors comprises 12 Directors, of which 6 are Independent Directors, 2 are Non-Executive Women Directors and 4 Executive Directors including 1 Managing Director and 1 Woman Whole-time Director.

The Board of the Company confirms that Independent Directors fulfil the conditions specified in these regulations and are independent of the management.

The composition of the Board of Directors as on March 31, 2025, their attendance at Board Meetings held during the year and the last Annual General Meeting, the number of Directorships and Committee Chairmanship / Memberships held by them in other Companies is given below:

| Name of the Director                                                | Inter-se Relationship amongst Directors                                                                                                                            | Attendance in the Board Meetings | Whether presented in the previous AGM |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|---------------------------------------|
| Mr. Ashwin Jayantilal Desai, Managing Director (Executive Promoter) | Spouse of Ms. Purnima Ashwin Desai<br>Father of Mr. Rohan Ashwin Desai<br>Father of Dr. Aman Ashwinbhai Desai<br>Father-in-law of Ms. Ishita Surendra Manjrekar    | 4                                | Yes                                   |
| Ms. Purnima Ashwin Desai, Whole-time Director (Executive Promoter)  | Spouse of Mr. Ashwin Jayantilal Desai<br>Mother of Mr. Rohan Ashwin Desai<br>Mother of Dr. Aman Ashwinbhai Desai<br>Mother-in-law of Ms. Ishita Surendra Manjrekar | 4                                | Yes                                   |
| Mr. Rohan Ashwin Desai, Whole-time Director (Executive Promoter)    | Son of Mr. Ashwin Jayantilal Desai<br>Son of Ms. Purnima Ashwin Desai                                                                                              | 4                                | Yes                                   |

| Name of the Director                                                                                | Inter-se Relationship amongst Directors                                                                                                               | Attendance in the Board Meetings | Whether presented in the previous AGM |
|-----------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|---------------------------------------|
| Mr. Rohan Ashwin Desai, Whole-time Director (Executive Promoter)                                    | Brother of Dr. Aman Ashwinbhai Desai<br>Son-in-law of Mr. Kamalvijay Ramchandra Tulsian                                                               | 4                                | Yes                                   |
| Dr. Aman Ashwinbhai Desai, Whole-time Director (Executive Promoter)                                 | Son of Mr. Ashwin Jayantilal Desai<br>Son of Ms. Purnima Ashwin Desai<br>Brother of Mr. Rohan Ashwin Desai<br>Spouse of Ms. Ishita Surendra Manjrekar | 4                                | Yes                                   |
| Mr. Kamalvijay Tulsian, Chairman Non-Executive Independent Director (Non-Executive Non-Independent) | Father-in-law of Mr. Rohan Ashwin Desai                                                                                                               | 3                                | Yes                                   |

| Name of the Director                                                                              | Inter-se Relationship amongst Directors                                                                                              | Attendance in the Board Meetings | Whether presented in the previous AGM |
|---------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|---------------------------------------|
| Ms. Ishita Surendra Manjrekar, Non-Executive Non-Independent Director (Non-Executive Independent) | Spouse of Dr. Aman Ashwinbhai Desai<br>Daughter-in-law of Mr. Ashwin Jayantilal Desai<br>Daughter-in-law of Ms. Purnima Ashwin Desai | 4                                | Yes                                   |
| Mr. Arun Brijmohan Kanodiya, Non-Executive Independent Director (Non-Executive Independent)       | N.A.                                                                                                                                 | 4                                | Yes                                   |
| Mr. Jeevan Lal Nagori, Non-Executive Independent Director (Non-Executive Independent)             | N.A.                                                                                                                                 | 4                                | Yes                                   |



Report of the Board

| Name of the Director                                                                         | Inter-se Relationship amongst Directors | Attendance in the Board Meetings | Whether presented in the previous AGM | Name of the Director                                                                           | Inter-se Relationship amongst Directors | Attendance in the Board Meetings | Whether presented in the previous AGM |                                                  | Name of the Director              | No. of Directorship (incl. AIL) | No. of membership in Committees (incl. AIL) as a Chair | No. of membership in Mem | Name of the listed entity in which directorship is held including AIL        | Name of the Director          | No. of Directorship (incl. AIL) | No. of membership in Committees (incl. AIL) as a Chair | No. of membership in Mem | Name of the listed entity in which directorship is held including AIL                               |
|----------------------------------------------------------------------------------------------|-----------------------------------------|----------------------------------|---------------------------------------|------------------------------------------------------------------------------------------------|-----------------------------------------|----------------------------------|---------------------------------------|--------------------------------------------------|-----------------------------------|---------------------------------|--------------------------------------------------------|--------------------------|------------------------------------------------------------------------------|-------------------------------|---------------------------------|--------------------------------------------------------|--------------------------|-----------------------------------------------------------------------------------------------------|
| Ms. Leja Satish Hattiangadi, Non-Executive Independent Director (Non-Executive Independent)  | N.A.                                    | 4                                | Yes                                   | Mr. Jitendra Popatlal Vakharia, Non-Executive Independent Director (Non-Executive Independent) | N.A.                                    | 4                                | No                                    |                                                  | Mr. Rohan Ashwin Desai            | 3                               | 1                                                      | 2                        | Aether Industries Limited as Whole-time Director                             | Ms. Ishita Surendra Manjrekar | 5                               | 0                                                      | 1                        | Aether Industries Limited as Non-Executive Non-Independent Director                                 |
| Dr. Amol Arvindrao Kulkarni, Non-Executive Independent Director (Non-Executive Independent)  | N.A.                                    | 4                                | No                                    |                                                                                                |                                         |                                  |                                       |                                                  | Dr. Aman Ashwinbhai Desai         | 2                               | 1                                                      | 1                        | Aether Industries Limited as Whole-time Director                             | Mr. Arun Brijmohan Kanodiya   | 2                               | 2                                                      | 3                        | Aether Industries Limited as Non-Executive Independent Director                                     |
| Mr. Rajkumar Mangilal Borana, Non-Executive Independent Director (Non-Executive Independent) | N.A.                                    | 3                                | No                                    |                                                                                                |                                         |                                  |                                       |                                                  | Mr. Kamalvijay Ramchandra Tulsian | 6                               | 1                                                      | 3                        | Aether Industries Limited as Chairman Non-Executive Non-Independent Director | Mr. Jeevan Lal Nagori         | 6                               | 0                                                      | 2                        | Aether Industries Limited as Non-Executive Independent Director                                     |
|                                                                                              |                                         |                                  |                                       | Mr. Ashwin Jayantilal Desai                                                                    | 4                                       | 0                                | 1                                     | Aether Industries Limited as Managing Director   | Ms. Ishita Surendra Manjrekar     | 5                               | 0                                                      | 1                        | Aether Industries Limited as Non-Executive Non-Independent Director          | Ms. Leja Satish Hattiangadi   | 2                               | 0                                                      | 2                        | Aether Industries Limited, and Alkyl Amines Chemicals Limited As Non-Executive Independent Director |
|                                                                                              |                                         |                                  |                                       | Ms. Purnima Ashwin Desai                                                                       | 3                                       | 1                                | 1                                     | Aether Industries Limited as Whole-time Director |                                   |                                 |                                                        |                          |                                                                              |                               |                                 |                                                        |                          |                                                                                                     |



Report of the Board

| Name of the Director           | No. of Directorship (incl. AIL) | No. of membership in Committees (incl. AIL) as a Chair | Mem | Name of the listed entity in which directorship is held including AIL |
|--------------------------------|---------------------------------|--------------------------------------------------------|-----|-----------------------------------------------------------------------|
| Mr. Jitendra Popatlal Vakharia | 4                               | 0                                                      | 1   | Aether Industries Limited as Non-Executive Independent Director       |
| Dr. Amol Arvindrao Kulkarni    | 1                               | 0                                                      | 2   | Aether Industries Limited as Non-Executive Independent Director       |
| Mr. Rajkumar Mangilal Borana   | 7                               | 0                                                      | 2   | Aether Industries Limited as Non-Executive Independent Director       |

Board Meetings

During the year under review, total 4 (four) Board Meetings were conducted on

(a) May 21, 2024

(b) July 19, 2024

(c) October 18, 2024

(d) January 17, 2025

Familiarisation Program for Independent Directors

The Company has a familiarisation program for the Independent Directors with regard to their roles, rights and responsibilities in the Company and provides detail regarding the nature of the industry in which the Company operates, the business models of the Company etc. which aims to provide insight to the Independent Directors to understand the business of the Company. Upon induction, the Independent Directors are familiarized with their roles, rights and responsibilities. The details of the familiarization program for Independent Directors are available on the Company's website at: <https://aether.co.in/wp-content/uploads/2024/08/Familiarisation%20Program%20of%20Independent%20Directors%20-%20FINAL.pdf>

Skills / Expertise / Competence of the Board of Directors

The Board has identified certain skills/expertise/competence as required to be possessed by the Board of Directors to ensure the effective functioning of the business(es) and sectors of the Company. The mapping of these skills/expertise / competence among the Directors is as given herewith:

| Skills / Expertise / Competence | Name of the Director                                                                                                                                                          |
|---------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Science & Technology            | Mr. Ashwin Jayantilal Desai<br>Dr. Aman Ashwinbhai Desai<br>Ms. Ishita Surendra Manjrekar<br>Ms. Leja Satish Hattiangadi and<br>Dr. Amol Arvindrao Kulkarni                   |
| Commercial                      | Mr. Ashwin Jayantilal Desai<br>Ms. Purnima Ashwin Desai<br>Mr. Rohan Ashwin Desai<br>Dr. Aman Ashwinbhai Desai<br>Mr. Jeevan Lal Nagori and<br>Mr. Jitendra Popatlal Vakharia |

| Skills / Expertise / Competence                            | Name of the Director                                                                                           |
|------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|
| Finance                                                    | Ms. Purnima Ashwin Desai<br>Mr. Rohan Ashwin Desai and<br>Mr. Jeevan Lal Nagori<br>Mr. Arun Brijmohan Kanodiya |
| Sales, Marketing, Strategic Procurement and Human Resource | Mr. Rohan Ashwin Desai and<br>Mr. Jeevan Lal Nagori                                                            |
| Management / Administration                                | Ms. Purnima Ashwin Desai<br>Mr. Kamalvijay Ramchandra Tulsian and<br>Mr. Rajkumar Mangilal Borana              |
| Domain Industry                                            | Mr. Ashwin Jayantilal Desai and<br>Mr. Jeevan Lal Nagori                                                       |
| Legal / Corporate Governance                               | Mr. Jeevan Lal Nagori and<br>Mr. Arun Brijmohan Kanodiya                                                       |

(C) Audit Committee

Terms of Reference for the Audit Committee:  
The Audit Committee shall be responsible for, among other things, as may be required by the Stock Exchange(s) from time to time, the following :

I. Powers of Audit Committee

The Audit Committee shall have powers, including the following:

- to investigate any activity within its terms of reference;
- to seek information from any employee;
- to obtain outside legal or other professional advice;
- to secure attendance of outsiders with relevant expertise, if it is considered necessary; and
- such other powers as may be prescribed under the Companies Act and SEBI Listing Regulations

- II. The role of the Audit Committee shall include the following:
- a) oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;
  - b) recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;
  - c) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
  - d) formulation of a policy on related party transactions, which shall include materiality of related party transactions;
  - e) reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
  - f) examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
    - Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
    - Changes, if any, in accounting policies and practices and reasons for the same;
    - Major accounting entries involving estimates based on the exercise of judgment by management;
    - Significant adjustments made in the financial statements arising out of audit findings;
    - Compliance with listing and other legal requirements relating to financial statements;
    - Disclosure of any related party transactions;
    - Modified opinion(s) in the draft audit report;
    - Reviewing, with the management, the quarterly,



Report of the Board

- half-yearly and annual financial statements before submission to the Board for approval;
- reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the Offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- reviewing and monitoring the auditor’s independence and performance, and effectiveness of audit process;
- approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed.
- Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the Company, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- scrutiny of inter-corporate loans and investments;
- reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority

- of the official heading the department, reporting structure coverage and frequency of internal audit;
  - discussion with internal auditors of any significant findings and follow up there on;
  - reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
  - discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  - recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
  - looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  - reviewing the functioning of the whistle blower mechanism;
  - monitoring the end use of funds raised through public offers and related matters;
  - overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
- z) approval of appointment of chief financial officer (i.e., the Whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of

- the candidate;
- aa) reviewing the utilization of loans and/or advances from / investment by the holding company in the subsidiary exceeding ₹1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing;
- bb) carrying out any other functions required to be carried out by the Audit Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time;
- cc) Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
- dd) Such roles as may be prescribed under the Companies Act, SEBI Listing Regulations and other applicable provisions and review :
- ee) Management discussion and analysis of financial condition and results of operations;
- ff) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- gg) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- hh) Internal audit reports relating to internal control weaknesses;
- ii) The appointment, removal and terms of remuneration of the chief internal auditor;
- jj) Statement of deviations in terms of the SEBI Listing Regulations:
- a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of the SEBI Listing Regulations; and
- b) annual statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice in terms of the SEBI Listing Regulations.

| Name of the Director           | Position held in the Committee | Category of the Director | Number of Meetings attended |
|--------------------------------|--------------------------------|--------------------------|-----------------------------|
| Mr. Arun Brijmohan Kanodiya    | Chairman                       | Independent Director     | 4                           |
| Mr. Jitendra Popatlal Vakharia | Member                         | Independent Director     | 4                           |
| Mr. Jeevan Lal Nagori          | Member                         | Independent Director     | 4                           |

Audit Committee Meetings

During the year under review, total 4 (four) Audit Committee Meetings were conducted on

(a) May 21, 2024

(b) July 19, 2024

(c) October 18, 2024

(d) January 17, 2025

(D)Nomination & Remuneration Committee

Terms of Reference for the Nomination & Remuneration Committee:

The Nomination & Remuneration Committee shall be responsible for, among other things, as may be required by the stock exchange(s) from time to time, the following:

(a) Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors of the Company (the “Board” or “Board of Directors”) a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees (“Remuneration Policy”);

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:



Report of the Board

- the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
  - relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.
- (b) Formulation of criteria for evaluation of independent directors and the Board;
- (c) Devising a Policy on Board diversity;
- (d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director's performance (including independent director);
- (e) Analysing, monitoring and reviewing various human resource and compensation matters;
- (f) Deciding whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- (g) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
- (h) Recommending to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary;
- (i) Reviewing and approving the Company's compensation strategy from time to time in the context of the then-current Indian market in

- accordance with applicable laws;
- (j) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, if applicable;
- (k) Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
- (l) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
- (m) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.
- (n) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities.
- use the services of an external agencies, if required;
  - consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - consider the time commitments of the candidates
- (o) Perform such other activities as may be delegated by the Board or specified / provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable law or

regulatory authority.

| Name of the Director              | Position held in the Committee | Category of the Director | Number of Meetings attended |
|-----------------------------------|--------------------------------|--------------------------|-----------------------------|
| Mr. Arun Brijmohan Kanodiya       | Chairman                       | Independent Director     | 3                           |
| Mr. Kamalvijay Ramchandra Tulsian | Member                         | Non-Executive Director   | 3                           |
| Dr. Amol Arvindrao Kulkarni       | Member                         | Independent Director     | 3                           |

Nomination & Remuneration Committee Meetings

During the year under review, total 2 (two) Nomination & Remuneration Committee Meetings were conducted on

(a) July 19, 2024

(b) October 18, 2024

Performance evaluation of the Board

A formal evaluation of the performance of the Board, its Committees and Individual Directors was carried out for Fiscal Year 2023-24. The evaluation was carried out using individual questionnaires covering, amongst others, contribution to areas impacting Company's performance, preparedness on the issues to be discussed, meaningful and constructive, contribution and inputs in Board and committee meetings. In addition to the above the Executive Directors were evaluated based on annual targets, financial and operational controls, risk management, business strategies succession planning, core governance and compliance management.

(E) Corporate Social Responsibility Committee

Terms of Reference for the CSR Committee:

The CSR Committee shall be responsible for, among other things, as follows:

- (a) formulate and recommend to the Board, a "Corporate Social Responsibility Policy" which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder, as amended, monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board;
- (b) identify corporate social responsibility policy partners and corporate social responsibility policy programmes
- (c) review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a) and the distribution of the same to various corporate social responsibility programs undertaken by the Company;
- (d) delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
- (e) review and monitor the implementation of corporate social responsibility programmes and issue necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
- (f) any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board, from time to time; and
- (g) exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act, 2013.



Report of the Board

(h)The Committee met once during the year on May 20, 2024.

| Name of the Director              | Position held in the Committee | Category of the Director | Number of Meetings attended |
|-----------------------------------|--------------------------------|--------------------------|-----------------------------|
| Ms. Purnima Ashwin Desai          | Chairperson                    | Whole-time Director      | 1                           |
| Mr. Kamalvijay Ramchandra Tulsian | Member                         | Non-Executive Director   | 1                           |
| Mr. Jeevan Lal Nagori             | Member                         | Independent Director     | 1                           |
| Ms. Leja Satish Hattiangadi       | Member                         | Independent Director     | 1                           |
| Mr. Jitendra Popatlal Vakharia    | Member                         | Independent Director     | 1                           |

(F) Stakeholder’s Relationship Committee  
Terms of Reference for the Stakeholders’ Relationship Committee  
The Stakeholders’ Relationship Committee shall be responsible for, among other things, as may be required by the under applicable law, the following:

- (a)To specifically look into various aspects of interests of shareholders, debentures holders and other security holders;
- (b)Resolving the grievances of the security holders of the listed entity including complaints related to transfer of shares or debentures, including non-receipt of share or debenture certificates and review of cases for refusal of transfer / transmission of shares and debentures, non-receipt of annual report or balance sheet, non-receipt of declared dividends, issue of new/

duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;

- (c)Review of measures taken for effective exercise of voting rights by shareholders;
- (d)Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
- (e)Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
- (f) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;
- (g)Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company; and
- (h)Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

The Company has formed the Stakeholder Relationship Committee on October 16, 2024, comprising of below members;

| Name of the Director              | Position held in the Committee | Category of the Director | Number of Meetings attended |
|-----------------------------------|--------------------------------|--------------------------|-----------------------------|
| Mr. Kamalvijay Ramchandra Tulsian | Chairperson                    | Non-Executive Director   | 1                           |
| Mr. Rohan Ashwin Desai            | Member                         | Whole-time Director      | 1                           |
| Mr. Ishita Surendra Manjrekar     | Member                         | Non-Executive Director   | 1                           |
| Ms. Leja Satish Hattiangadi       | Member                         | Independent Director     | 1                           |
| Mr. Arun Brijmohan Kanodiya       | Member                         | Independent Director     | 1                           |
| Mr. Rajkumar Mangilal Borana      | Member                         | Independent Director     | 1                           |

Mr. Chitrarth Rajan Parghi, Company Secretary is designated as Compliance Officer of the Company.

During the year under review, 3 complaints were received from Shareholders and all were resolved in due course.

(G)Risk Management Committee  
Terms of Reference for the Risk Management Committee  
The Risk Management Committee shall be responsible for, among other things, as may be required by the under applicable law, the following:

- (a)To formulate a detailed risk management policy which shall include:

- A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
- Measures for risk mitigation including systems and processes for internal control of identified risks.
- Business continuity plan.
- (b)To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (c)To monitor and oversee the implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (d)To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (e)To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (f) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

During the year under review, total 2 (two) Nomination & Remuneration Committee Meeting were held, as mentioned below :

- (g) May 20, 2024
- (h) October 18, 2024



Report of the Board

| Name of the Director              | Position held in the Committee | Category of the Director | Number of Meetings attended |
|-----------------------------------|--------------------------------|--------------------------|-----------------------------|
| Ms. Purnima Ashwin Desai          | Chairperson                    | Whole-time Director      | 2                           |
| Mr. Kamalvijay Ramchandra Tulsian | Member                         | Non-Executive Director   | 2                           |
| Mr. Jeevan Lal Nagori             | Member                         | Independent Director     | 2                           |
| Ms. Leja Satish Hattiangadi       | Member                         | Independent Director     | 2                           |
| Mr. Jitendra Popatlal Vakharia    | Member                         | Independent Director     | 2                           |

**(H)Senior Management**  
Currently, Mr. Raymond Paul Roach, Business Development Leader – Americas and Dr. Norbert Fluggen, Business Development Leader – Europe, are designated under Senior Management. There are no changes in the Senior Management of the Company during the year under review.

**(I) Remuneration of Directors**  
**Pecuniary relationship or transactions**  
During the year under review, there was no pecuniary relationship or transactions between the Company and any of its Non-Executive Directors apart from sitting fees and reimbursement of expenses incurred by them to attend Meetings of the Company.

Related Party Transactions are mentioned in Note 40 in the Financial Statements.

**Criteria for making payments to Non-Executive Directors**  
Due approval from the Audit Committee was obtained from the aforesaid transaction mentioned in Note 40, taking into consideration the requirement of availing the industrial premises from related parties.

**Remuneration**  
Apart from the sitting fee, no other remuneration was paid to the Non-Executive Directors The Board in their Meeting held on September 4, 2021, approved the sitting fee as ₹ 50,000 for attending the Board Meeting and ₹ 15,000 for attending Committee Meetings.

Details of the sitting fees paid to the Non-Executive Directors and remuneration to Executive Directors are as below:

| Sitting fees                      |                                                 |                       |  |
|-----------------------------------|-------------------------------------------------|-----------------------|--|
| Name of the Director              | Category of the Director                        | Sitting fee (₹ in MM) |  |
| Mr. Kamalvijay Ramchandra Tulsian | Chairman Non-Executive Non-Independent Director | ₹ 0.44                |  |
| Ms. Ishita Surendra Manjrekar     | Non-Executive Non-Independent Director          | ₹ 0.27                |  |
| Mr. Arun Brijmohan Kanodiya       | Non-Executive Independent Director              | ₹ 0.43                |  |
| Mr. Jeevan Lal Nagori             | Non-Executive Independent Director              | ₹ 0.33                |  |
| Ms. Leja Satish Hattiangadi       | Non-Executive Independent Director              | ₹ 0.28                |  |
| Mr. Jitendra Popatlal Vakharia    | Non-Executive Independent Director              | ₹ 0.34                |  |

| Sitting fees                 |                                    |                       |
|------------------------------|------------------------------------|-----------------------|
| Name of the Director         | Category of the Director           | Sitting fee (₹ in MM) |
| Mr. Rajkumar Mangilal Borana | Non-Executive Independent Director | ₹ 0.17                |
| Dr. Amol Arvindrao Kulkarni  | Non-Executive Independent Director | ₹ 0.28                |

| Remuneration                |                          |                        |
|-----------------------------|--------------------------|------------------------|
| Name of the Director        | Category of the Director | Remuneration (₹ in MM) |
| Mr. Ashwin Jayantilal Desai | Managing Director        | ₹ 13.65                |
| Ms. Purnima Ashwin Desai    | Whole-time Director      | ₹ 13.65                |
| Mr. Rohan Ashwin Desai      | Whole-time Director      | ₹ 19.47                |
| Dr. Aman Ashwinbhai Desai   | Whole-time Director      | ₹ 20.48                |

The above Remuneration of Executive Directors is comprised only of basic pay (incl. annual Bonus in line with the Payment of the Bonus Act), and does not comprise of any other benefit, stock options, pension, or performance linked incentives in aforesaid amount.

**(J) General Body Meeting**  
Particulars of the Annual General Meetings of the Company are as below:

| Day, Date and Time and Venue                                                                                                                       | No. of Directors present | Special Resolutions passed |
|----------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|----------------------------|
| Annual General Meeting held on Tuesday, September 27, 2022 through VC / OAVM mode (deemed to be considered at the Registered Office) at 11:30 Hrs. | 12                       | Yes                        |
| Annual General Meeting held on Friday, June 16, 2023 through VC / OAVM mode (deemed to be considered at the Registered Office) at 16:00 Hrs.       | 10                       | Yes                        |
| Annual General Meeting held on Tuesday, September 10, 2024 through VC / OAVM mode (deemed to be considered at the Registered Office) at 16:00 Hrs. | 11                       | Yes                        |

No Resolution was passed through Postal Ballot.

**(K) Means of Communication**  
Quarterly results are published in ‘Financial Express’, an English newspaper with nationwide circulation and in multiple local dailies in vernacular language, having wide circulation, within the prescribed time period. Also, the same is displayed on the website of the Company as well. Investor Presentations are also submitted to Stock Exchanges and displayed on the website, upon declaring the quarterly results. Statutory communications to Board Members / Shareholders were made through e-mail and/or physical hand-delivery.



Report of the Board

(L) Utilisation of funds raised through QIP

On June 22, 2023, the Company raised ₹ 7,500 MM through the Qualified Institutional Placement (QIP). A total 80,12,810 Equity Shares were issued for ₹ 936 per share. The same is under the utilisation as per the approved object as stated in the Placement Document. During the year under review, object-wise utilisation is reported as below;

| Object for which the fund raised                                          | Utilisation during the year |
|---------------------------------------------------------------------------|-----------------------------|
| Funding capital expenditure for the expansion at Manufacturing Facility 3 | ₹293.35                     |
| Funding capital expenditure for the expansion at Manufacturing Facility 5 | ₹134.12                     |
| Funding Working Capital requirements of the Company                       | ₹450.00                     |
| General Corporate Purposes                                                | ₹999.70                     |
| Total                                                                     | ₹1,877.26                   |

(M) General shareholders' information

- General Information and address of correspondence  
Aether Industries Limited  
Corporate Identification Number: L24100GJ2013PLC073434  
Reg. Office: Plot No. 8203, GIDC Sachin, Surat-394230, GJ.  
ISIN: INE0BWX01014  
  
Phone: 0261-6603000 / 3360  
Fax: 0261-6603329  
E-mail: compliance@aether.co.in  
  
Hojiwala Site  
Plot Nos. B-21/5, B-21/6, and B-21/7, Hojiwala Industrial Estate, Surat-394230, GJ. (R&D Units & Pilot-Plants)

Plot Nos. C-24/9, C-24/10 and C-24/23, Hojiwala Industrial Estate, Surat-394230, GJ. (Warehouses & Misc. Works)

Sachin GIDC Site

Plot Nos. 8202/1 and 8203, GIDC Sachin, Surat-394230, GJ. (Manufacturing Units)  
Plot Nos. 8202/2/A and 8202/2/B, GIDC Sachin, Surat-394230, GJ. (Manufacturing Units)  
Plot Nos. 452-456, 822, 6714, 8206/A and 8208/1 & 2-P, GIDC Sachin, Surat-394230, GJ. (Warehouses)

Panoli GIDC Site

Plot Nos. 10A and 14 + 15, GIDC Panoli, Bharuch-394115, GJ. (Under construction Manufacturing Units)

- Annual General Meeting  
Date: Friday, September 12, 2025  
Time: 16:00 Hrs.  
Mode: Video Conference ("VC") / Other Audio Visual Means ("OAVM")
- Financial Calendar  
The Company follows the financial calendar from April 1 to March 31.
- Name and Address of the Stock-Exchanges where the securities are listed  
The Company is listed on two Stock Exchanges of India and the listing fees payable were duly paid.  
  
BSE Limited (BSE Scrip Code: 543534)  
Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400001, MH  
  
National Stock Exchange of India Limited (NSE Scrip Symbol: AETHER)  
Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai-400051, MH

- Registrar & Share Transfer Agent  
M/s. MUFG Intime India Private Limited (Earlier known as M/s. Link Intime India Private Limited)  
C-101, 247 Park, LBS Marg, Vikhroli (W), Mumbai-400083, MH.  
Phone: 022-49186000  
Fax: 022-49186060  
Email: demat@linkintime.co.in / rnt.helpdesk@linkintime.co.in
- Share Transfer System  
According to the SEBI Listing Regulations, 2015, no shares can be transferred unless they are held in dematerialized mode. All the shares of the Company are in dematerialised form only and no shares are held in physical form.

Distribution of shareholding

| Shares           | Shareholders (Numbers) |        | Shareholders (Value) |        |
|------------------|------------------------|--------|----------------------|--------|
|                  | Number                 | %      | ₹ in MM              | %      |
| 1,000 and below  | 79,296                 | 99.37% | ₹30.50               | 2.30%  |
| 1,001 - 10,000   | 407                    | 00.51% | ₹4.29                | 0.32%  |
| 10,001 and above | 96                     | 00.12% | ₹1,290.72            | 97.38% |

- Dematerialisation of Shares and Liquidity  
The company's entire shareholding is held in demat mode and fully liquid for transferability.
- Commodity Price Risk or Foreign Exchange Risk and Hedging Activities  
As on March 31, 2025, your company has not faced any foreign exchange loss and the risk management is done through various internal measures.
- Credit rating  
During the year under review, the Company obtained a credit rating from M/s. ICRA Limited, as below:  
  
Long term rating: ICRA A+  
Short term rating: ICRA A1

(N) Other information

- Related Party Transactions  
None of the materially significant related party transactions were in conflict of interest with the Company.
- Declaration of compliance by the Company  
The Company has complied with the requirements of the Ministry of Corporate Affairs, Stock Exchanges, SEBI and other statutory authorities. No penalty or strictures were imposed on the Company by these authorities.
- Establishment of Vigil Mechanism, Whistle Blower Policy  
The Company has established a Vigil Mechanism cum Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The Policy has a systematic mechanism for Directors and Employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Policy. None of the



# Report of the Board

Directors nor any employees were denied access to the Chairman of the Audit Committee.

Once again in this year as well, no such instances have been reported under unethical and prohibited context. Vigil Mechanism Policy is placed on the website of the Company, accessible at: [https://aether.co.in/wp-content/uploads/2024/09/WhistleBlowerPolicy\(VigilMechanism\).pdf](https://aether.co.in/wp-content/uploads/2024/09/WhistleBlowerPolicy(VigilMechanism).pdf)

- **Details of compliance with mandatory requirements and adoption of the non-mandatory Requirements**  
The Company is in-line with the mandatory requirements to the extent applicable for the year under review.

- **Web-links**  
Your Company has incorporated a Wholly Owned Subsidiary in the name of 'Aether Speciality Chemicals Limited', incorporated during the year under review and the 'Policy on Related Party Transactions and Material Subsidiary' was duly framed and approved by the Board. Web-link for Policy is accessible at: <https://aether.co.in/wp-content/uploads/2022/08/RPT-Policy.pdf>

- **Certificate from Practicing Company Secretary pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI Listing Regulations, 2015**  
The Company has obtained a certificate from M/s. Dhirren R. Dave & Company, Practicing Company Secretary confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of the Company by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such authority.

- **Fees to the Auditor**  
The same is mentioned in the Notes to the Accounts. During the year under review, ₹ 0.90 MM was paid to Statutory Auditors.

- **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and other disclosures**  
The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. Members to note that there were no such instances reported in the Company during the period under review. All the male and female workforce in the Company works with due respect to each other. No Loans and advances are made to Firms / Companies by the Company or its Subsidiary in which Directors are interested. The Dividend Distribution Policy is accessible at: <https://aether.co.in/wp-content/uploads/2022/08/Dividend-Distribution-Policy.pdf>

Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations, 2015 in best possible manner.

The Company has followed the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 read with relevant rules thereunder for the preparation of Financial Statements. The Significant Accounting Policies

which are consistently applied have been set out in the notes to the financial statements.

In terms of the provisions of Regulation 17(8) of the SEBI Listing Regulations, 2015, Mr. Ashwin Jayantilal Desai, Managing Director and Mr. Faiz Arif Nagariya, Chief Financial Officer have issued a certificate, certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs The said certificate is enclosed as Annexure to this report and forms part of this Report. Also, the certificate from M/s. Dhirren R. Dave & Company, Company Secretary in practice, regarding compliance of conditions of Corporate Governance as stipulated in Schedule V of the Regulations, forms a part of this Report. In accordance with Schedule V of the Regulations with the stock exchanges, all the Directors and Senior Management Personnel have, respectively, affirmed compliance with the Code of Conduct as approved and adopted by the Board.

For Aether Industries Limited  
Ashwin Desai  
Managing Director | DIN: 00038386

Rohan Desai  
Whole Time Director | DIN: 00038379

July 24, 2025

## CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members,  
**Aether Industries Limited**  
Plot No. 8203,  
GIDC Sachin, Surat-394230

CIN: L24100GJ2013PLC073434

We, have examined the compliance of conditions of Corporate Governance by M/s. Aether Industries Limited (the Company) for the year ended March 31, 2025, as per Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examinations were limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders / Investors Grievances Committee.



# Report of the Board

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Dhirren R. Dave & Company  
Company Secretaries

Pinal Kandarp Shukla  
Principal Partner | UIN: P1996GJ002900

PR No.: 44/022 | ACS: 28553  
CP: 10265 | UDIN: A028554G000823689

July 21, 2025

## CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V – Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members,  
Aether Industries Limited  
Plot No. 8203,  
GIDC Sachin, Surat-394230

CIN: L24100GJ2013PLC073434

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. Aether Industries Limited, having CIN: L24100GJ2013PLC073434 and having its registered office at Plot No. 8203, GIDC Sachin, Surat-394230, Gujarat (hereinafter referred to as ‘the Company’), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V- Para C Sub-clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities

and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

| Name of Director / DIN                   | Date of Appointment | Name of Director / DIN                | Date of Appointment |
|------------------------------------------|---------------------|---------------------------------------|---------------------|
| Ashwin Jayantilal Desai (00038386)       | 23.01.2013          | Jeevan Lal Nagori (00017939)          | 01.03.2018          |
| Purnima Ashwin Desai (00038399)          | 23.01.2013          | Arun Brijmohan Kanodiya (0344900)     | 01.03.2018          |
| Rohan Ashwin Desai (00038379)            | 23.01.2013          | Leja Satish Hattiangadi (00198720)    | 01.10.2021          |
| Aman Ashwinbhai Desai (00043633)         | 25.08.2014          | Jitendra Popatlal Vakharia (00191088) | 17.11.2021          |
| Kamalvijay Ramchandra Tulsian (00190840) | 22.05.2018          | Amol Arvindrao Kulkarni (09311097)    | 17.11.2021          |
| Ishita Surendra Manjrekar (06731016)     | 20.06.2018          | Rajkumar Mangilal Borana (01091166)   | 17.11.2021          |

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Dhirren R. Dave & Company  
Company Secretaries

Pinal Kandarp Shukla  
Principal Partner | UIN: P1996GJ002900

PR No.: 44/022 | ACS: 28553  
CP: 10265 | UDIN: A028554G000823689

July 21, 2025



# Report of the Board

## CERTIFICATE OF MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

(Pursuant to Regulation 17(8) and Part B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members,  
**Aether Industries Limited**  
Plot No. 8203,  
GIDC Sachin, Surat-394230

**CIN: L24100GJ2013PLC073434**

We hereby certify to the best of our knowledge and belief that:

- (a) We have reviewed the financial statements including the cash flow statement (standalone and consolidated) for the financial year ended March 31, 2025 and that these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are no transactions entered into by the Company during the year, which are fraudulent, illegal or violate the Company's Code of Business Conduct.
- (c) We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in

the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to address these deficiencies.

- (d) We further certify that there have been no significant changes in internal control during the aforesaid period, the Company has complied with new accounting standard, Ind-AS, there have been no instance of significant fraud of which, we have become aware and the involvement therein, if any, of management or an employee having a significant role in the Company's internal control system over financial reporting.

For Aether Industries Limited  
Ashwin Desai  
Managing Director | DIN: 00038386

Faiz Nagariya  
Chief Financial Officer

July 24, 2025



# Business Responsibility & Sustainability Report(BRSR)

## Section A: General Disclosures

|                                                                                                                                                                                                                                                                         |                                                                          |  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|--|
| (A)                                                                                                                                                                                                                                                                     |                                                                          |  |
| (a)Corporate Identity Number (CIN) of the Listed Entity                                                                                                                                                                                                                 | L24I00GJ2013PLC073434                                                    |  |
| (b)Name of the Listed Entity                                                                                                                                                                                                                                            | Aether Industries Limited                                                |  |
| (c)Year of incorporation                                                                                                                                                                                                                                                | 2013                                                                     |  |
| (d)Registered office address                                                                                                                                                                                                                                            | Aether Industries Limited, Plot No. 8203, GIDC Sachin, Surat-394230, GJ. |  |
| (e)Corporate address                                                                                                                                                                                                                                                    | Aether Industries Limited, Plot No. 8203, GIDC Sachin, Surat-394230, GJ. |  |
| (f) E-mail                                                                                                                                                                                                                                                              | compliance@aether.co.in                                                  |  |
| (g)Telephone                                                                                                                                                                                                                                                            | +91-261-6603360                                                          |  |
| (h)Website                                                                                                                                                                                                                                                              | www.aether.co.in                                                         |  |
| (i) Financial year for which reporting is being done                                                                                                                                                                                                                    | FY 2025                                                                  |  |
| (j) Name of the Stock Exchange(s) where shares are listed                                                                                                                                                                                                               | National Stock Exchange of India (NSE)<br>BSE Limited (BSE)              |  |
| (k)Paid-up Capital                                                                                                                                                                                                                                                      | ₹ 1,325.90 MM                                                            |  |
| (l) Name and contact details (telephone, email address) of the person who may be contacted in case of any queries;                                                                                                                                                      |                                                                          |  |
|                                                                                                                                                                                                                                                                         | Name Chitrarth Rajan Parghi                                              |  |
|                                                                                                                                                                                                                                                                         | Phone +91-261-6603360                                                    |  |
|                                                                                                                                                                                                                                                                         | Email Phone compliance@aether.co.in                                      |  |
| (m) Reporting boundary – Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together) | Standalone basis                                                         |  |
| (n)Turnover in (₹ Crores)                                                                                                                                                                                                                                               | ₹ 832.83 Crores                                                          |  |

## (B)Product / services

|                                                                         |                                                                                                                                                                      |                            |
|-------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|
| (o)Details of business activities (accounting for 90% of the turnover): |                                                                                                                                                                      |                            |
| Description of Main Activity                                            | Description of Business Activity                                                                                                                                     | % of Turnover of the Entit |
| Manufacturing of chemicals (NIC: 2011)                                  | The primary focus of the company is the production of advanced intermediates and specialty chemicals that require specialized chemistry and cutting-edge technology. | 100%                       |

(p) Products/Services sold by the entity (accounting for 90% of the entity’s turnover):

| Product/Service                                                                          | NIC Code | % of total Turnover contributed |
|------------------------------------------------------------------------------------------|----------|---------------------------------|
| Manufacturing of chemicals                                                               | 2011     | 100.00%                         |
| Primary focus is on the manufacturing of advanced intermediates and specialty chemicals. |          |                                 |

(q)Markets served by the entity:

| Location      | Number of Plants      | Number of Offices     | Total                 |
|---------------|-----------------------|-----------------------|-----------------------|
| National      | 3*                    | 0                     | 3                     |
| International | None (Not Applicable) | None (Not Applicable) | None (Not Applicable) |

\* The number of offices has been mentioned as 'Zero' since the registered office shares the same address as one of the plants.

## a. Number of locations

| Locations                        | Number |
|----------------------------------|--------|
| National (No. of States)         | 12     |
| International (No. of Countries) | 18     |

b. What is the contribution of exports as a percentage of total turnover of the entity?: 49.48% (incl. sales in SEZ and Deemed Exports)

## c. A brief on types of customers

The Company, operating in the B2B sector, serves a diverse client base across the chemical industry, including multinational, regional, and domestic companies in pharmaceuticals, agrochemicals, materials science, oil & gas, and textiles. The Company’s product portfolio is strategically designed to meet the specialized requirements of various segments, such as coatings, high-performance photography, additives, and oil & gas, among others.



# Business Responsibility & Sustainability Report(BRSR)

(v) Overview of the entity’s material responsible business conduct issues:

| Material issues identified              | Indicate whether risk or opportunity | Rationale for identifying the risk/ opportunity                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) | Material issues identified | Indicate whether risk or opportunity | Rationale for identifying the risk/ opportunity                                                                                                                                                                                                                                                                                                                                                                                                           | In case of risk, approach to adapt or mitigate                                                                                                                                                                                                                                                                                                                                                                                | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|-----------------------------------------|--------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|------------------------------------------------------------------------------------------------|----------------------------|--------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| Safety of clinical Trial Participants   | Opportunity                          | Ensuring the safety of clinical trial participants is vital for the successful market approval of a product. Effective supervision of these trials is essential, especially considering the numerous trials managed by third-party contract research organizations. Additionally, overseeing these trials can contribute to enhancing shareholder value by generating additional revenue through the introduction of new products.                                                                                                                                                                                                                                                                                                                                                | Not Applicable                                 | Positive                                                                                       | Accessibility              | Opportunity                          | Implementing flexible pricing strategies considering diverse global economic conditions and healthcare requirements can drive growth, innovation, and strategic partnerships, enhancing shareholder value. The company's wide-ranging portfolio includes sectors like pharma, agrochemicals, material science, coatings, high-performance photography, additives, and oil and gas, all aimed at promoting widespread access to its products and services. | Not applicable                                                                                                                                                                                                                                                                                                                                                                                                                | Positive                                                                                       |
| Selling practices and product Labelling | Opportunity                          | Innovation and digital transformation are valuable for organizations and stakeholders alike, as they enhance operational efficiency and enable responsiveness to changing consumer demands and concerns. Aether looks forward to continuously increase digital presence with innovative by exploring opportunities in unexplored markets segments and is committed to upholding standards and regulations, promoting ethical marketing practices, and ensuring transparent and accurate labelling of products and services. This includes proactive measures to prevent discriminatory or predatory selling and lending practices, thereby addressing social issues arising from potential failures in transparency, accuracy, and comprehensibility in marketing communications. | Not applicable                                 | Positive                                                                                       | Greenhouse Gases emissions | Risk                                 | Greenhouse gas (GHG) emissions are produced by the combustion of fossil fuels in manufacturing and cogeneration processes. Operating risks and costs associated with regulatory compliance as well as GHG emissions may arise for chemical entities.                                                                                                                                                                                                      | The Company is progressing towards adopting sustainable business practices and transitioning to low environmental footprint. The Company has implemented organisational-wide initiatives to cut energy use by utilising videoconferencing, energy-efficient lighting and workstations, and educating employees about energy conservation. The Company conducts energy audits to identify potential energy saving initiatives. | Negative<br>There has been no negative impact in the reporting period.                         |



# Business Responsibility & Sustainability Report(BRSR)

| Material issues identified                    | Indicate whether risk or opportunity | Rationale for identifying the risk/ opportunity                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | In case of risk, approach to adapt or mitigate                                                                                                                                                                                                                                                                                                                                                     | Financial implications of the risk or opportunity (Indicate positive or negative implications) | Material issues identified           | Indicate whether risk or opportunity | Rationale for identifying the risk/ opportunity                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|-----------------------------------------------|--------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|------------------------------------------------------------------------------------------------|
| Product safety                                | Risk                                 | Safety concerns regarding individuals, manufacturing defects, or insufficient disclosure of product-related risks can result in substantial product liability claims, exposing companies to financial ramifications associated with adverse events and product recalls. Biotechnology and pharmaceutical companies that effectively reduce the occurrence of product recalls, safety issues, and regulatory enforcement actions are better positioned to safeguard shareholder value.                                                                                                                      | This entails rigorous testing and quality control measures to identify and mitigate any unintended characteristics that may pose health or safety risks to end-users. Furthermore, careful management of product testing, as well as monitoring and controlling chemicals, content, and ingredients in products, is essential to uphold safety standards across all sectors served by the company. | Negative<br><br>There has been no negative impact in the reporting period.                     | Supply Chain Management              | Opportunity                          | and brand reputation, promoting equal opportunities and inclusivity across our business. Moreover, the Company prioritises creating a safe and healthy work environment for all its committed employees.<br><br>This category emphasizes how companies address environmental, social, and governance (ESG) risks throughout their supply chains, covering areas such as environmental sustainability, human rights, labor practices, and ethical conduct. Aether is committed to upholding ESG standards and promoting responsible practices to foster sustainable development in communities. This involves evaluating, selecting, monitoring, and engaging with suppliers to evaluate and mitigate their environmental and social impacts. | Not applicable                                 | Positive                                                                                       |
|                                               |                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                |                                      |                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                |                                                                                                |
| Employee Recruitment, Development & Retention | Opportunity                          | Businesses face intense competition in recruiting and retaining staff. The industry relies on highly qualified workers for various tasks like developing new products and ensuring quality manufacturing processes, including product development, clinical trials, regulatory compliance, and product commercialization. The Company is dedicated to fostering a dynamic and inclusive workforce where employees' collective knowledge, mentorship, and technical skills are the cornerstone of their success, distinguishing them within the industry. Our DEI strategy focuses on employees, customers, | Not applicable                                                                                                                                                                                                                                                                                                                                                                                     | Positive                                                                                       | Human rights and Community Relations | Opportunity                          | This management includes considerations such as community engagement, environmental justice, support for local workforces, and impact on local businesses, maintaining a license to operate, and conducting environmental and social impact assessments. Overall, it evaluates how businesses interact with and contribute to the well-being of the communities where they are situated. Supporting community development programmes shall uphold the Company's brand image while promoting better quality of life for the beneficiaries.                                                                                                                                                                                                    | Not applicable                                 | Human rights and Community Relations                                                           |
|                                               |                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                |                                      |                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                |                                                                                                |



Business Responsibility & Sustainability Report(BRSR)

|                                                         |           |                               |         |         |         |                                                        |        |        |        |
|---------------------------------------------------------|-----------|-------------------------------|---------|---------|---------|--------------------------------------------------------|--------|--------|--------|
| (C)Employees                                            |           |                               |         |         |         | (s) Turnover rate for permanent employees and workers: |        |        |        |
| (r) Details as at the end of Financial Year (FY 2025):  |           |                               |         |         |         |                                                        |        |        |        |
| a. Employees and workers (including differently abled): |           |                               |         |         |         |                                                        |        |        |        |
| Employees                                               | Male      |                               | Female  |         |         |                                                        |        |        |        |
|                                                         | Total (A) | No. (B)                       | % (B/A) | No. (C) | % (C/A) | 2025                                                   | 2024   | 2023   |        |
|                                                         |           |                               |         |         |         | Male                                                   | Female | Male   | Female |
|                                                         |           |                               |         |         |         | Total                                                  | Total  | Total  | Total  |
|                                                         |           |                               |         |         |         |                                                        |        |        |        |
| Permanent                                               | 685       | 656                           | 95.77%  | 29      | 4.23%   | 16.15%                                                 | 13.79% | 14.97% | 19.45% |
| Other than Permanent                                    |           |                               | Nil     |         |         | 0.00%                                                  | 0.00%  | 0.00%  | 0.00%  |
| Total employees                                         | 685       | 656                           | 95.77%  | 29      | 4.23%   | 20.62%                                                 | 0.00%  | 20.62% | 45.21% |
|                                                         |           |                               |         |         |         | 45.21%                                                 | 40.17% | 40.17% | 40.17% |
| Workers                                                 | Male      |                               | Female  |         |         |                                                        |        |        |        |
|                                                         | Total (A) | No. (B)                       | % (B/A) | No. (C) | % (C/A) |                                                        |        |        |        |
|                                                         |           |                               |         |         |         |                                                        |        |        |        |
|                                                         |           |                               |         |         |         |                                                        |        |        |        |
|                                                         |           |                               |         |         |         |                                                        |        |        |        |
| Permanent                                               | 285       | 285                           | 100%    | 0       | 0       |                                                        |        |        |        |
| Other than Permanent                                    | 250       | 250                           | 0%      | 6       | 0       |                                                        |        |        |        |
| Total employees                                         | 535       | 535                           | 100%    | 6       | 0       |                                                        |        |        |        |
| b. Differently abled employees and workers:             |           |                               |         |         |         |                                                        |        |        |        |
| Employees                                               | Male      |                               | Female  |         |         |                                                        |        |        |        |
|                                                         | Total (A) | No. (B)                       | % (B/A) | No. (C) | % (C/A) |                                                        |        |        |        |
|                                                         |           |                               |         |         |         |                                                        |        |        |        |
|                                                         |           |                               |         |         |         |                                                        |        |        |        |
|                                                         |           |                               |         |         |         |                                                        |        |        |        |
| Permanent                                               | 2         | 1                             | 50%     | 1       | 50%     |                                                        |        |        |        |
| Other than Permanent                                    |           |                               | Nil     |         |         |                                                        |        |        |        |
| Total employees                                         | 2         | 1                             | 50%     | 1       | 50%     |                                                        |        |        |        |
| Workers                                                 | Male      |                               | Female  |         |         |                                                        |        |        |        |
|                                                         | Total (A) | No. (B)                       | % (B/A) | No. (C) | % (C/A) |                                                        |        |        |        |
|                                                         |           |                               |         |         |         |                                                        |        |        |        |
|                                                         |           |                               |         |         |         |                                                        |        |        |        |
|                                                         |           |                               |         |         |         |                                                        |        |        |        |
| Permanent                                               | 1         | 1                             | 100%    | 0       | 0       |                                                        |        |        |        |
| Other than Permanent                                    |           |                               | Nil     |         |         |                                                        |        |        |        |
| Total employees                                         | 1         | 1                             | 100%    | 0       | 0%      |                                                        |        |        |        |
| Particulars                                             |           |                               |         |         |         |                                                        |        |        |        |
|                                                         |           | No. and percentage of Females |         |         |         |                                                        |        |        |        |
|                                                         |           | Total (A)                     | No. (B) | % (B/A) |         |                                                        |        |        |        |
| Board of Directors                                      |           | 12                            | 3       | 25%     |         |                                                        |        |        |        |
| Key Management Personnel*                               |           | 3                             | 0       | 0       |         |                                                        |        |        |        |
|                                                         |           |                               |         |         |         |                                                        |        |        |        |
|                                                         |           |                               |         |         |         |                                                        |        |        |        |
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|                                                         |           |                               |         |         |         |                                                        |        |        |        |
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|                                                         |           |                               |         |         |         |                                                        |        |        |        |
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|                                                         |           |                               |         |         |         |                                                        |        |        |        |
|                                                         |           |                               |         |         |         |                                                        |        |        |        |
|                                                         |           |                               |         |         |         |                                                        |        |        |        |
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# Business Responsibility & Sustainability Report(BRSR)

| Material issues identified | Indicate whether risk or opportunity | Rationale for identifying the risk/ opportunity                                                                                                                                                                                                                                                                                                                                                                                                                            | In case of risk, approach to adapt or mitigate                                                                                                                                                                                                                                                                                                                                                                                                             | Financial implications of the risk or opportunity (Indicate positive or negative implications) | Material issues identified | Indicate whether risk or opportunity | Rationale for identifying the risk/ opportunity                                                                                                                                                                                                                                                                     | In case of risk, approach to adapt or mitigate                                                                                                                                                                                                                                                                                                                                                                                            | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|----------------------------|--------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|----------------------------|--------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| Customer Welfare           | Risk                                 | Customer Welfare is core for business for innovating products as per consumer and market needs while resolving grievances with low turnaround time, maintaining trust, continuity and relationship. This category evaluates the company's capability to deliver manufactured products and services that meet societal expectations. It focuses on inherent qualities related to the design and delivery of products and services, where customer welfare could be at risk. | In instances of risk, the company adapt and mitigate such risks by promptly addressing customer concerns, implementing corrective measures, enhancing product safety protocols, and fostering transparent communication with customers. Additionally, conducting thorough risk assessments, investing in ongoing customer feedback mechanisms, and continuously improving processes are vital strategies to mitigate risks and safeguard customer welfare. | Negative<br>There has been no negative impact in the reporting period.                         | Business Ethics            | Risk                                 | of interest, misrepresentation, bias, and negligence. Sensitivity to evolving business norms and standards across various jurisdictions and cultures is necessary. Upholding business ethics also means delivering services that uphold the highest professional and ethical industry standards, avoiding conflicts | The company has adopted various policies and codes which are fundamental components of our governance structure, offering direction to employees and stakeholders across the value chain. They underscore our dedication to ethics, transparency, and sustainability. This commitment is upheld through extensive employee training and the implementation of policies and procedures to deliver our services impartially and accurately. | Negative<br>There has been no negative impact in the reporting period.                         |
|                            |                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                |                            |                                      |                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                |
| Business Ethics            | Risk                                 | Maintaining business ethics is vital to ensure that ethical conduct aligns with both local regulations and industry-specific standards, while also prioritizing the interests of all stakeholders in line with global norms. This involves adhering to human, cultural, economic, political, and social rights and conducting business transparently and accountably. Sensitivity to evolving business norms and standards across various                                  | The company has adopted various policies and codes which are fundamental components of our governance structure, offering direction to employees and stakeholders across the value chain. They underscore our dedication to ethics, transparency, and sustainability. This commitment is upheld through extensive employee training and the implementation of policies and procedures to deliver our services impartially and accurately.                  | Negative<br>There has been no negative impact in the reporting period.                         |                            |                                      |                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                |



# Business Responsibility & Sustainability Report(BRSR)

## Section B: Management and Process Disclosures

(A) This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

|    |                                                                                                                                     |
|----|-------------------------------------------------------------------------------------------------------------------------------------|
| P1 | Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparentand Accountable.        |
| P2 | Businesses should provide goods and services in a manner that is sustainable and safe.                                              |
| P3 | Businesses should respect and promote the well-being of all employees, including those in their value chains.                       |
| P4 | Businesses should respect the interests of and be responsive to all its stakeholders.                                               |
| P5 | Businesses should respect and promote human rights.                                                                                 |
| P6 | Businesses should respect and make efforts to protect and restore the environment.                                                  |
| P7 | Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that isresponsible and transparent. |
| P8 | Businesses should promote inclusive growth and equitable development.                                                               |
| P9 | Businesses should engage with and provide value to their consumers in a responsible manner.                                         |

| Disclosure Questions                                                                                          | P1                                                                                                                                                            | P2  | P3  | P4  | P5  | P6  | P7  | P8  | P9  |
|---------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|
| Policy and management processes                                                                               |                                                                                                                                                               |     |     |     |     |     |     |     |     |
| 1.                                                                                                            |                                                                                                                                                               |     |     |     |     |     |     |     |     |
| a. Whether your Company’s policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No) | Yes                                                                                                                                                           | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| b. Has the policy been approved by the Board? (Yes/No)                                                        | Yes                                                                                                                                                           | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| c. Web-Link of the Policies, if available***                                                                  | Statutory Policies: <a href="https://aether.co.in/investor-relations/#corporate-governance">https://aether.co.in/investor-relations/#corporate-governance</a> |     |     |     |     |     |     |     |     |
| 2. Whether the Company has translated the policy into procedures. (Yes/No)                                    | Yes                                                                                                                                                           | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 3. Do the enlisted policies extend to your value chain partners? (Yes/No)                                     | The above-mentioned policies are extended to all value chain partners.                                                                                        |     |     |     |     |     |     |     |     |

| Disclosure Questions | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|----------------------|----|----|----|----|----|----|----|----|----|
|----------------------|----|----|----|----|----|----|----|----|----|

### Policy and management processes

4. Name of the national and international codes/ certifications/ labels/standards (e.g., Forest Stewardship Council, Fair-trade, Rainforest Alliance, and Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your Company and mapped to each principle.

The Company has adopted various international frameworks such as:

1. ISO 27001:201
2. ISO 45001:2018
3. ISO 9001:2015
4. ISO 14001:2015
5. GMP
6. EcoVadis
7. UN Global Compact Membership
8. GRI Reporting Framework for ESG Disclosure
9. Membership of Indian Chemical Council

5. Specific commitments, goals and targets set by the Company with defined timelines, if any.

The Company has established internal targets across various functions and regularly monitors progress towards achieving them. These targets encompass diversity and inclusion, integrating ESG principles into core business areas, community development, and operational eco-efficiency.

6. Performance of the Company against the specific commitments, goals and targets along with reasons in case the same are not met.

As a company, we understand the significance of environmental, social, and governance (ESG) factors in establishing a sustainable and ethical business. We acknowledge the potential impact of our actions on the world around us and are dedicated to effecting positive change.

To begin our ESG journey, we started by defining our core values and how they align with ESG principles. We then conducted a materiality assessment to identify the ESG issues that are most relevant and material to our company and stakeholders.

We engaged all relevant stakeholders throughout this process to ensure our strategy reflects the needs and expectations of our employees, customers, investors, and communities.



# Business Responsibility & Sustainability Report(BRSR)

## Disclosure Questions

P1 P2 P3 P4 P5 P6 P7 P8 P9

### Policy and management processes

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

Our commitment to sustainable, long-term growth is deeply rooted in environmental, social, and governance (ESG) principles. Recognizing the growing importance of ESG in today’s business landscape, we are dedicated to integrating these principles into our core operations. Beyond regulatory compliance, our approach is driven by a genuine belief in the value ESG brings to both our company and society.

To uphold this commitment, we have implemented proactive measures to minimize our environmental footprint and promote social responsibility. Our initiatives include adopting renewable energy sources, implementing waste reduction strategies, and actively managing carbon emissions. Moreover, we are fostering sustainable practices across our supply chain, ensuring that our impact extends beyond our direct operations.

By embedding ESG principles into our business strategy, we are enhancing resilience, driving sustainability, and contributing to the broader goal of creating a more sustainable future for generations to come.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).

Dr. Aman Ashvin Desai  
(Whole-time Director)  
0261-6603360  
compliance@aether.co.in

9. Does the Company have a specified Committee of the Board/Director responsible for decision-making on Sustainability-related issues? (Yes/No). If yes, provide details.

The Board committee serves as the governing authority in charge consisting of Board members who supervise the integration of sustainability principles into the entity’s strategic plans and day-to-day activities and is responsible for decision making in case there are any sustainability related issues. They guarantee that sustainability objectives are in

## Disclosure Questions

P1 P2 P3 P4 P5 P6 P7 P8 P9

### Policy and management processes

harmony with the organization's mission and principles, track advancement towards these goals.

\*\*\*The following policies are available on the Company website [www.aether.co.in](http://www.aether.co.in)

- Archival Policy
  - Board Evaluation Policy
  - CSR Policy
  - Determination of Materiality of Event Policy
  - Dividend Distribution Policy
  - Familiarisation Program for Independent Directors
  - Materiality Policy
  - Policy on appointment of Directors, KMPs and Employee
- Policy on succession of the Board
  - Risk Assessment and Management Policy
  - Related Party Transaction and Material Subsidiary Policy
  - Terms of Appointment of Independent Directors
  - Whistle Blower Policy (Vigil Mechanism)
  - Code of Conduct for the Company
  - Code of Conduct of Board and SMP
  - Code of fair practices under the SEBI (PIT) Regulations 2015

10. Details of Review of NGRBCs by the Company and Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances

The Company’s management conducts thorough reviews of all relevant policies, performing regular audits and assessments to ensure alignment with evolving business dynamics and regulatory requirements. These evaluations help maintain compliance, enhance operational efficiency, and adapt to industry developments as needed. The Company ensures prompt compliance with all statutory requirements by conducting annual reviews to stay informed of regulatory updates and maintain adherence to evolving mandates

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

Dhir & Dhir Associates, a renowned law firm, has evaluated the adequacy and effectiveness of the company’s policies. Various Departments and Business heads periodically review and update these policies, with final approval from Management or the Board. Moreover, internal auditors and regulatory bodies, where applicable, may assess compliance measures and governance processes.



# Business Responsibility & Sustainability Report(BRSR)

## Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

(A) Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by Directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: The entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website):

|                 | NGRBC Principle | Name of the regulatory/ enforcement agencies/ judicial institutions | Monetary      |                   | Has an appeal been preferred? (Yes/No) |
|-----------------|-----------------|---------------------------------------------------------------------|---------------|-------------------|----------------------------------------|
|                 |                 |                                                                     | Amount (In ₹) | Brief of the Case |                                        |
| Penalty / Fine  | -               | None                                                                | NIL           | -                 | NA                                     |
| Settlement      | -               | None                                                                | NIL           | -                 | NA                                     |
| Compounding Fee | -               | None                                                                | NIL           | -                 | NA                                     |
|                 | NGRBC Principle | Name of the regulatory/ enforcement agencies/ judicial institutions | Non-Monetary  |                   | Has an appeal been preferred? (Yes/No) |
|                 |                 |                                                                     |               | Brief of the Case |                                        |
| Imprisonment    | -               | -                                                                   | -             | -                 | NA                                     |
| Punishment      | -               | -                                                                   | -             | -                 | NA                                     |

(B) Of the instances disclosed in Question above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.: Not applicable

(C) Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and, if available, provide a web-link to the policy.

The Company has established aspects of anti-corruption and anti-bribery as part of its Code of Conduct, which is accessible on the company intranet. This unequivocally prohibits any involvement in bribery, the making or receiving of prohibited payments, or the acceptance of bribes by the company, its employees, or any intermediaries. This prohibition extends to any efforts to gain or retain business through such means. Recognizing the potential legal liabilities under local anti-corruption laws due to collaborations and

relationships with third parties, the company emphasizes adherence to these laws through its Code of Conduct. The company continually updates its policies and procedures to ensure they remain in alignment with anti-corruption regulations.

(D) Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

| Case Details | 2025 | 2024 |
|--------------|------|------|
| Directors    | None | None |
| KMPs         | None | None |
| Employees    | None | None |
| Workers      | None | None |

(E) Details of complaints with regard to conflict of interest:

| Case Details | 2025 | 2024 |
|--------------|------|------|
| Directors    | None | None |
| KMPs         | None | None |
| Employees    | None | None |
| Workers      | None | None |

(F) Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest. None

(G) Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

| Segment                           | Total Number of training and awareness programmes held | Topics/principles covered under the training and its impact | % age of persons in respective category covered by the awareness |
|-----------------------------------|--------------------------------------------------------|-------------------------------------------------------------|------------------------------------------------------------------|
| Board of Directors                | 3                                                      | Corporate Governance and Sustainability                     | 100.00%                                                          |
| Key Managerial Personnel          | 3                                                      | Corporate Governance and Business Ethics                    | 100.00%                                                          |
| Employees other than BoD and KMPs | 3                                                      | Business Ethics and Sustainability                          | 100.00%                                                          |
| Workers                           | 3                                                      | Responsible handling as per their area of performance       | 100.00%                                                          |



# Business Responsibility & Sustainability Report(BRSR)

(H) Number of days of accounts payables (Accounts payable \*365) / Cost of goods/services procured):

FY 2024: 101 days

FY 2024: 107.23 days

(I) Open-ness of Business:

Provide details of concentration of purchases and sales with trading houses, dealers and related parties along-with loans and advances & investments, with related parties (Amount in MM)

| Parameter                  | Metrics                                                                                | 2025 | 2024  |
|----------------------------|----------------------------------------------------------------------------------------|------|-------|
| Concentration of Purchases | a. Purchases from Trading houses as % of total purchases                               | 0    | 0     |
|                            | b. Number of trading houses where purchases and made from                              | 0    | 0     |
|                            | c. Purchases from top 10 trading houses as % of total purchases from trading houses    | 0    | 0     |
| Concentration of Sales     | a. Sales to dealers/distributors as % of total sales                                   | 0    | 0     |
|                            | b. Number of dealers/distributors to whom sales are made                               | 0    | 0     |
|                            | c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors    | 0    | 0     |
| Share of RPTs in           | a. Purchases (Purchases with related parties/Total Purchases)                          | 4.8  | 3.06  |
|                            | b. Sales (Sales to related parties/Total Sales)                                        | 0    | 0     |
|                            | c. Loans & advances (Loans & advances given to related parties/Total loans & advances) | 0    | 98.94 |
|                            | d. Investments (Investments in related parties/Total Investments made)                 | 100  | 19.23 |

## Leadership indicators

(A) Awareness programmes conducted for value chain partners on any of the principles during the financial year.

The Company actively engages with its value chain partners through a variety of channels, including emails, site visits, group meetings, one-on-one interactions, phone calls, SMS, exhibitions, and gatherings. These interactions help build strong relationships and enable the Company to better understand and respond to the needs of its partners. Although formal awareness programs are not yet established, the Company intends to evaluate their implementation for its value-chain partners.

(B) Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board?

(Yes/No). If yes, provide details of the same.

Yes, The Company's Code of Conduct outlines clear expectations regarding conflict of interest for its Directors and Senior Management. They are required to avoid any situation where their personal interests may conflict, or appear to conflict, with those of the Company. The members of the Boards must uphold professionalism, and act in ethical and honest manner. Any actual or potential conflicts must be promptly disclosed to the appropriate authority. Furthermore, Directors and Senior Management must not engage in any transaction or activity-directly or indirectly, that could compromise their ability to act solely in the best interests of the Company.

Web Link of the same can be accessed at: <https://aether.co.in/wp-content/uploads/2022/08/Code-of-Conduct-for-the-Company.pdf>.

## Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

(A) Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

|       | 2025 | 2024 | Details of improvements in environmental and social impacts                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-------|------|------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| R&D * | -    | -    | Non-quantifiable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Capex | 7.74 | 6.29 | To ensure sustainable power for our operations, we have built a 16 MW solar power generation plant in Sarod Village, Bharuch District, Gujarat, which supplies electricity to our three manufacturing facilities that became operational in Fiscal year 2023. This solar power plant will cover the daytime electricity needs of these facilities. Moreover, we have installed a Solvent Recovery Plant (SRP) to minimize waste generation. We have partnered with government-affiliated agencies for the disposal of liquid and powder chemical waste after treatment on our end. Furthermore, a 15 MW hybrid power plant has also been operational. |

The Company consistently assesses its R&D expenditures, which are allocated specifically for the company's R&D activities and do not significantly contribute to environmental or social factors. However, by incorporating social and environmental factors, the company shall focus on its dedication to sustainable practices and responsible decision-making that aligns with its long-term business goals.

(B) Does the entity have procedures in place for sustainable sourcing? If yes, what percentage of inputs were sourced sustainably?

Yes, the company is committed to integrating social, ethical, and environmental factors across its supply chain.

# Business Responsibility & Sustainability Report(BRSR)

(C)Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

As a company operating within the chemical sector, we acknowledge the significance of minimizing waste and lessening our environmental footprint. To this end, we've instituted a comprehensive waste recycling initiative aimed at diminishing waste generation and discovering inventive methods for its reuse or recycling. Our program encompasses several key initiatives:

Waste Reduction:

We've implemented strategies to curtail waste production through more efficient production methods, reduced raw material usage, and optimized supply chain management.

Waste Segregation:

Ensuring recyclable materials are separated from non-recyclables maximizes our ability to reuse or recycle waste.

Recycling Partnerships:

Collaborating with local recycling facilities and specialists allows us to recycle waste effectively, including operating our Solvent Recovery Plant.

Education and Training:

Providing employees with education and training on waste reduction and recycling fosters awareness and participation in environmental stewardship.

Innovation:

Investing in research and development enables us to explore novel technologies and processes for repurposing waste materials into new products. Our waste recycling endeavours have not only reduced our environmental impact but also led to new business opportunities and cost savings. Embracing a circular economy model allows us to conserve resources, diminish waste, and deliver value to our customers and stakeholders.

Overall, we view our waste recycling program as integral to our sustainability commitment and responsible business conduct. We remain steadfast in our dedication to discovering fresh, innovative approaches to curbing our environmental impact and building a more sustainable future.

(D)Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Extended Producer Responsibility (EPR) applies to Aether, and the Company adheres to all necessary steps.

Leadership indicators

(A)Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)?SMS, exhibitions gatherings, etc to understand their needs. Currently the Company does not conduct LCA, but have made the decision to conduct Life Cycle Assessments (LCA) for all of our products wherein we will be analysing the environmental impact of our products from their initial creation all the way through their use and eventual disposal.

Conducting LCAs offers several advantages. Firstly, it allows us to identify areas where we can reduce our environmental footprint, whether it's through optimizing manufacturing processes, choosing more sustainable materials, or improving end-of-life disposal methods, it also it aligns with our vision of being a responsible corporate and creating a positive impact on the environment for future generations.

(B)If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Not applicable

(C)Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry)

| Indicate input material          | Recycled or re-used input material to total material |       |
|----------------------------------|------------------------------------------------------|-------|
|                                  | 2024                                                 | 2024  |
| Recoveries of Chemicals/solvents | 54                                                   | 45.00 |

(D)Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

|                                | Re-Used | 2025     | Safely Disposed | Re-Used | 2024     | Safely Disposed |
|--------------------------------|---------|----------|-----------------|---------|----------|-----------------|
|                                |         | Recycled |                 |         | Recycled |                 |
| Plastics (including packaging) | Nil     | 14.23    | Nil             | Nil     | 13.58    | Nil             |
| E-waste                        | Nil     | Nil      | Nil             | Nil     | Nil      | Nil             |
| Hazardous Waste                | Nil     | 1153.23  | 2800.41         | Nil     | 1084.05  | 2766.93         |
| Other waste (Paper)            | Nil     | Nil      | 1567.98         | Nil     | Nil      | 1600.90         |



# Business Responsibility & Sustainability Report(BRSR)

(E)Reclaimed products and their packaging materials (as percentage of products sold) for each product category.  
No

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

| Health Insurance Accident Insurance Maternity benefit Paternity benefit Daycare facilities |         |          |         |          |         |          |         |          |         |          |                                                                             |
|--------------------------------------------------------------------------------------------|---------|----------|---------|----------|---------|----------|---------|----------|---------|----------|-----------------------------------------------------------------------------|
| Total (A)                                                                                  | No. (B) | % (B/ A) | No. (C) | % (C/ A) | No. (D) | % (D/ A) | No. (E) | % (E/ A) | No. (F) | % (F/ A) |                                                                             |
| Permanent employees                                                                        |         |          |         |          |         |          |         |          |         |          |                                                                             |
| Male                                                                                       | 656     | 656      | 100%    | 656      | 100%    |          | -       | -        | -       | -        | Aether has tie-ups with day-care facilities, hospitals across the locations |
| Female                                                                                     | 27      | 27       | 100%    | 27       | 100%    |          | 29      | 100%     | -       | -        |                                                                             |
| Total                                                                                      | 685     | 685      | 100%    | 685      | 100%    |          | 29      | 100%     | -       | -        |                                                                             |
| Permanent workers                                                                          |         |          |         |          |         |          |         |          |         |          |                                                                             |
| Male                                                                                       | 285     | 285      | 100%    | 285      | 100%    | -        | -       | -        | -       | -        |                                                                             |
| Female                                                                                     | -       | -        | -       | -        | -       | -        | -       | -        | -       | -        |                                                                             |
| Total                                                                                      | 285     | 285      | 100%    | 285      | 100%    | -        | -       | -        | -       | -        |                                                                             |
| Other than permanent workers                                                               |         |          |         |          |         |          |         |          |         |          |                                                                             |
| Male                                                                                       | 250     | 250      | 100%    | -        | -       | -        | -       | -        | -       | -        |                                                                             |
| Female                                                                                     | -       | -        | -       | -        | -       | -        | -       | -        | -       | -        |                                                                             |
| Total                                                                                      | 250     | 250      | 100%    | -        | -       | -        | -       | -        | -       | -        |                                                                             |

(B)Spending on measures towards well-being of employees and workers (including permanent and other than permanent) of the total revenue:  
5.39% in FY 2025 and 6.03% in FY 2024

(C)Details of retirement benefits, for Current FY and Previous FY:

| Benefits | No. of employees covered<br>as a % of total employees | No. of workers covered<br>as a % of total workers | Deducted and deposited<br>with the authority (Y/N/N.A.) |
|----------|-------------------------------------------------------|---------------------------------------------------|---------------------------------------------------------|
| PF       | 100%                                                  | 100%                                              | Y                                                       |
| Gratuity | 100%                                                  | 100%                                              | Y                                                       |
| ESI      | 100%                                                  | 100%                                              | Y                                                       |

(D)Accessibility of workplace:  
Aether offices are outfitted with accessibility for differently- abled employees in accordance with the Rights of Persons with Disabilities Act, 2016. We have lifts, illuminated corridors, automated taps, and other similar facilities for the ease of accessibility for differently- abled employees and workers.

(E)Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

The Company prides itself on being an equal opportunity employer that values diversity and adaptability among its workforce. These values are enshrined under the code of conduct of the company which is available on the intranet. Its commitment to fostering a safe and supportive workplace environment remains steadfast, as it believes this enables employees to perform optimally. The Company is dedicated to building an inclusive culture where every individual feels respected, valued, and empowered. Its policies, emphasizing transparency and consistency, are easily accessible to all employees via an online portal.

Furthermore, the Company has implemented various initiatives to support its employees, including regular training sessions, wellness programs, and fostering a culture of open communication and collaboration. Recognizing the importance of a diverse and flexible workforce, the Company actively embraces different perspectives and ideas to drive innovation and growth. Its aim is to cultivate a workplace culture that celebrates diversity and agility, offering equal opportunities for all employees.

(F)Return to work and Retention rates of permanent employees and workers that took parental leave.

|        | Return to work rate                                                                                          | Retention rate | Return to work rate | Retention rate |
|--------|--------------------------------------------------------------------------------------------------------------|----------------|---------------------|----------------|
| Male   |                                                                                                              |                |                     |                |
| Female | Not Applicable, since no parental leave was taken in the reporting period by any of the employees or workers |                |                     |                |
| Total  |                                                                                                              |                |                     |                |

(G)Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

|                                |                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|--------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Permanent Workers              | Yes, the Company has implemented a comprehensive procedure to address the grievances of its employees. If an employee has a grievance, they can reach out to their immediate or skip manager as the first point of contact. If the issue remains unresolved, the respective business. HR will be the next point of contact, responsible for investigating the matter and providing a resolution based on fair and transparent dealings. |
| Other than Permanent Workers   |                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Permanent Employees            |                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|                                | For POSH (Prevention of Sexual Harassment) related matters, the employee is expected to raise the issue with the local HR team or the dedicated email ID for the IC (Internal Complaints) Committee. If necessary, the matter can be escalated to the Chairperson of the IC Committee.                                                                                                                                                  |
| Other than Permanent Employees | The final level of escalation for POSH matters will be to the Head HR of the Organisation.                                                                                                                                                                                                                                                                                                                                              |
|                                | Overall, the Company is committed to ensuring that its employees feel heard and supported in addressing their grievances. This grievance redressal procedure is a critical component of the Company's commitment to creating a positive and respectful workplace culture.                                                                                                                                                               |



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(H)Membership of employees and worker in association(s) or Unions recognised by the listed entity.

None. Aether recognizes the right to freedom of association and believes that all employees have the right to join or form associations encouraging collective bargaining agreements.

| (I) Details of training given to employees and workers: |                 |         |                   |         |           |                 |         |                   |         |           |
|---------------------------------------------------------|-----------------|---------|-------------------|---------|-----------|-----------------|---------|-------------------|---------|-----------|
| 2025                                                    |                 |         |                   |         |           | 2024            |         |                   |         |           |
|                                                         | Health & safety |         | Skill upgradation |         | Total (D) | Health & safety |         | Skill upgradation |         | Total (F) |
|                                                         | Total (A)       | No. (B) | % (B/A)           | No. (C) |           | No. (E)         | % (E/D) | No. (F)           | % (F/D) |           |
| Employees                                               |                 |         |                   |         |           |                 |         |                   |         |           |
| Male                                                    | 656             | 656     | 100%              | 656     | 100%      | 617             | 617     | 100%              | 617     | 100%      |
| Female                                                  | 27              | 27      | 100%              | 27      | 100%      | 27              | 27      | 100%              | 27      | 100%      |
| Total                                                   | 685             | 685     | 100%              | 685     | 100%      | 644             | 644     | 100%              | 644     | 100%      |

| 2025    |                 |         |                   |         |           | 2024            |         |                   |         |           |
|---------|-----------------|---------|-------------------|---------|-----------|-----------------|---------|-------------------|---------|-----------|
|         | Health & safety |         | Skill upgradation |         | Total (D) | Health & safety |         | Skill upgradation |         | Total (F) |
|         | Total (A)       | No. (B) | % (B/A)           | No. (C) |           | No. (E)         | % (E/D) | No. (F)           | % (F/D) |           |
| Workers |                 |         |                   |         |           |                 |         |                   |         |           |
| Male    | 285             | 285     | 100%              | 285     | 100%      | 572             | 572     | 100%              | 572     | 100%      |
| Female  | -               | -       | 100%              | -       | 100%      | 6               | 6       | 100%              | 6       | 100%      |
| Total   | 285             | 285     | 100%              | 285     | 100%      | 578             | 578     | 100%              | 578     | 100%      |

| (J)Details of performance and career development reviews of employees and workers: |           |         |         |           |         |         |
|------------------------------------------------------------------------------------|-----------|---------|---------|-----------|---------|---------|
| Employee                                                                           | Total (A) | No. (B) | % (B/A) | Total (A) | No. (B) | % (B/A) |
| Male                                                                               | 656       | 656     | 100%    | 617       | 617     | 100%    |
| Female                                                                             | 27        | 27      | 100%    | 27        | 27      | 100%    |
| Total                                                                              | 685       | 685     | 100%    | 644       | 644     | 100%    |

| Workers | Total (A) | No. (B) | % (B/A) | Total (A) | No. (B) | % (B/A) |
|---------|-----------|---------|---------|-----------|---------|---------|
| Male    | 535       | 535     | 100%    | 572       | 572     | 100%    |
| Female  | -         | -       | 100%    | 6         | 6       | 100%    |
| Total   | 535       | 535     | 100%    | 578       | 578     | 100%    |

(K)Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity?(Yes/ No). If yes, the coverage such system?

Yes. The Company regularly conducts fire drills and other safety exercises, ensuring full compliance with legal requirements. Additionally, it undergoes periodic third-party audits to assess the effectiveness of its safety.

(L)Details on assessment of value chain partners:

Aether actively engages with its value chain partners by assessing them through a questionnaire circulated via email. We gather information based on their responses. Out of the total, Approximately 2% of the partners have been assessed, although the precise percentage by the value of business conducted with these partners is not ascertainable.

(M)Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.

No such concerns reported, hence no corrective action is taken.

## Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

(A)Describe the processes for identifying key stakeholder groups of the entity.

Aether’s business operations are intertwined with the social and ecological surroundings that affect various stakeholder groups such as employees, customers, investors, and the community. To create value for all these stakeholder groups, the company strives to maintain their trust and continuously engages with them through various channels to promote sustainability initiatives and achieve economic and ecological sustainability goals. Aether conducts thorough stakeholder analysis research to rank risks according to their impact on business operations and influence on the company.

The company maintains strong relationships with investors who contribute to its capital and support its commitment to value creation. A customer-centric approach reflects the company’s dedication to serving its customers, while sustained value creation for all stakeholders demonstrates its commitment to shareholders. In addition, Aether engages with industry experts, regulatory bodies, and academic institutions, among others, to stay informed of evolving market trends.

(B)List of stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

| Stakeholder Group | Whether identified as Vulnerable & Marginalised Group (Yes/ No)              | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Multi-channel engagement mechanism – phone, digital channel, trained customer | Frequency of engagement (Annually/ Half yearly/ Quarterly/ others | Purpose and scope of engagement including key topics and               |
|-------------------|------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|------------------------------------------------------------------------|
| Customers         | Yes, if they qualify based on specified criteria such as income, gender etc. |                                                                                                                                                                               | • Frequent and need based                                         | • Product pricing<br>• ESG Products and Services<br>• Health and Well- |



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| Stakeholder Group                 | Whether identified as Vulnerable & Marginalised Group (Yes/ No)         | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other                                                                                                                                                                                                                                                | Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)                                            | Purpose and scope of engagement including key topics and concerns raised during such engagement                                                                                                                                                                                                       | Stakeholder Group   | Whether identified as Vulnerable & Marginalised Group (Yes/ No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other                                                                                                              | Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement                                                                                                                                                                                                                                                                                                         |
|-----------------------------------|-------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-----------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                   | Aether does not identify any marginalised segment as the customer base. | relationship managers <ul style="list-style-type: none"><li>Sales, service and claims processes on digital platform</li><li>Regular measurement of customer satisfaction</li></ul>                                                                                                                                                                                           |                                                                                                                                | Being <ul style="list-style-type: none"><li>Innovation and Digitisation</li><li>Data Privacy and Security</li><li>Customer Relationship Management</li><li>Transparency</li></ul>                                                                                                                     |                     |                                                                 | relationship managers <ul style="list-style-type: none"><li>Sales, service and claims processes on digital platform</li><li>Regular measurement of customer satisfaction</li></ul>                                                         |                                                                                     | <ul style="list-style-type: none"><li>Effective performance management and recognition</li><li>Career growth</li><li>Diverse, inclusive and enabling work culture</li><li>Work-life balance</li><li>Topics/concerns raised</li><li>Fair Workplace</li><li>Occupational Health, Safety and Well-being</li><li>Fair pay</li><li>Talent Attraction and Retention</li><li>Diversity and Inclusion</li></ul> |
| Government/ Competent Authorities | No                                                                      | <ul style="list-style-type: none"><li>Directives and circulars</li><li>Meetings/discussions</li><li>Press Releases</li><li>Written communication</li><li>Presentations</li><li>Workshops</li><li>Submission of reports and returns</li><li>Workshop by regulators</li></ul>                                                                                                  | Directives and circulars                                                                                                       | <ul style="list-style-type: none"><li>Human Rights</li><li>Public Policy Advocacy Management</li><li>Climate Change Mitigation</li><li>Board Composition and Processes</li><li>Compliance</li></ul>                                                                                                   |                     |                                                                 |                                                                                                                                                                                                                                            |                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                         |
| Employees                         | No                                                                      | <ul style="list-style-type: none"><li>Town hall meetings</li><li>HR portal and intranet</li><li>Performance update</li><li>Workshops, learning and training interventions</li><li>Wellness initiatives</li><li>Internal publications, circulars, posters, videos and e-mails</li><li>Surveys</li><li>Live interactive sessions by the HR, Vertical Heads, Managers</li></ul> | <ul style="list-style-type: none"><li>Quarterly</li><li>On-going</li><li>Regular</li><li>Need-based</li><li>Annually</li></ul> | <ul style="list-style-type: none"><li>Purpose &amp; Scope of Engagement</li><li>Assessment of effectiveness of learning and development</li><li>Job security</li><li>Fair remuneration practices; equal employment opportunitiesFair remuneration practices; equal employment opportunities</li></ul> |                     |                                                                 |                                                                                                                                                                                                                                            |                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                         |
|                                   |                                                                         |                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                |                                                                                                                                                                                                                                                                                                       | Suppliers           | No                                                              | <ul style="list-style-type: none"><li>E-mail, telephone, site visit, group meetings , one on one interactions, telephonic communication, SMS, exhibitions gatherings</li></ul>                                                             | Frequent and need-based                                                             | To understand and know the potential of participants or the business partners                                                                                                                                                                                                                                                                                                                           |
|                                   |                                                                         |                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                |                                                                                                                                                                                                                                                                                                       | Investors & funders | No                                                              | <ul style="list-style-type: none"><li>Quarterly financial statements</li><li>Investor presentations</li><li>Annual Report</li><li>Annual General Meeting</li><li>Investor/Analyst meet</li><li>Media releases</li><li>ESG report</li></ul> |                                                                                     | <ul style="list-style-type: none"><li>Responsible Investment</li><li>Economic Performance</li><li>Enterprise Risk Management</li><li>Disaster Resilience and adaptation to</li></ul>                                                                                                                                                                                                                    |



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| Stakeholder Group | Whether identified as Vulnerable & Marginalised Group (Yes/No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other                                                                                                                              | Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement                                                                 |
|-------------------|----------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                   |                                                                | <div>Announcement through stock exchanges</div>                                                                                                                                                                                                            |                                                                                     | <div>Climate Change</div> <div>Operational</div> <div>Eco-efficiency</div> <div>Climate Change Mitigation</div>                                                 |
| Communities       | Yes                                                            | <div>Directives and circulars</div> <div>Meetings/discussions</div> <div>Pressreleases</div> <div>Written communication</div> <div>Presentations</div> <div>Workshops</div> <div>Submission of reports and returns</div> <div>Workshop by regulators</div> | Frequent and need-based                                                             | <div>Human Rights</div> <div>Public Policy Advocacy</div> <div>Climate Change Mitigation</div> <div>Board Composition and Processes</div> <div>Compliance</div> |

### Leadership Indicators

- (A)Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board. The Company engages with different stakeholder groups through various channels throughout the year to ensure effective two way communication. Employee-level committees report stakeholder feedback to the ESG Committee at the management level. The Board Committee on CSR & Sustainability oversees the effective implementation of consultation channels to facilitate active stakeholder engagement on material topics related to economic, environmental, and social aspects.
- (B)Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity. Yes, Aether, guided by its principles has established channels for active engagement with all stakeholder groups, which gives the company a competitive edge and builds brand trust. We regularly interact with critical stakeholders to ensure that our business operations are aligned with their interests in a sustainable manner while also remaining profitable. Based on our discussions with the investment community, we have aligned our environmental management goals with the global transition to a low-carbon economy and have updated our policies and internal systems accordingly to reflect our commitment as a responsible business brand.

- (C)Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.
- At Aether, we have established an active engagement channel with the community to address any grievances related to our operations and community development programs. During the fiscal year 2023-24, No grievances were reported by various stakeholder groups, which we promptly addressed through our grievance redressal mechanism.

Our Corporate Social Responsibility (CSR) efforts are geared towards creating sustainable solutions that benefit both the community and the environment. Our overarching goal is to actively contribute to the enhancement of society and the preservation of the environment within our operational sphere, thereby fostering long-term growth as a socially responsible entity.

Through our CSR initiatives, we seek to make a positive impact on people's lives and promote a healthier and happier world. Our initiatives encompass a wide range of activities, including promoting education, supporting elderly care facilities, providing training for nationally recognized and Olympic sports, offering healthcare services, reducing inequalities among socially and economically disadvantaged groups, implementing life-saving measures, and extending medical aid and support.

### Principle 5: Businesses should respect and promote human rights

#### Essential Indicators

- (A)Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

| Employees            | Total (A) | No. of Employees covered | 2025    | Total (C) | No. of Employees covered | 2024    |
|----------------------|-----------|--------------------------|---------|-----------|--------------------------|---------|
|                      |           |                          | % (B/A) |           |                          | % (D/C) |
| Permanent            | 685       | 685                      | 100%    | 644       | 644                      | 100%    |
| Other than permanent | 0         | 0                        | 0       | 0         | 0                        | 0       |
| Total                | 685       | 685                      | 100%    | 644       | 644                      | 100%    |

| Workers              | Total (A) | No. of Employees covered | 2024    | Total (C) | No. of Employees covered | 2023    |
|----------------------|-----------|--------------------------|---------|-----------|--------------------------|---------|
|                      |           |                          | % (B/A) |           |                          | % (D/C) |
| Permanent            | 285       | 285                      | 100%    | 343       | 343                      | 100%    |
| Other than permanent | 250       | 250                      | 100%    | -         | -                        | 0       |
| Total                | 535       | 535                      | 100%    | 343       | 343                      | 100%    |



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(B)Details of minimum wages paid to employees and workers, in the following format

| Employees |                       | 2025    |          |                        |          |                       | 2024    |          |                        |         |  |
|-----------|-----------------------|---------|----------|------------------------|----------|-----------------------|---------|----------|------------------------|---------|--|
| Category  | Equal to Minimum Wage |         |          | More than Minimum Wage |          | Equal to Minimum Wage |         |          | More than Minimum Wage |         |  |
|           | Total (A)             | No. (B) | % (B/A)  | No. (C)                | % (C/ A) | Total (D)             | No. (E) | % (E/ D) | No. (F)                | % (F/D) |  |
| Permanent | 656                   | 0       | 0        | 656                    | 100%     | 644                   | 0       | 0        | 644                    | 100%    |  |
| Male      | 27                    | 0       | 0        | 27                     | 100%     | 617                   | 0       | 0        | 617                    | 100%    |  |
| Female    | 685                   | 0       | 0        | 685                    | 100%     | 27                    | 0       | 0        | 27                     | 100%    |  |
| Workers   |                       | 2025    |          |                        |          |                       | 2024    |          |                        |         |  |
| Category  | Equal to Minimum Wage |         |          | More than Minimum Wage |          | Equal to Minimum Wage |         |          | More than Minimum Wage |         |  |
|           | Total (A)             | No. (B) | % (B/ A) | No. (C)                | % (C/ A) | Total (D)             | No. (E) | % (E/ D) | No. (F)                | % (F/D) |  |
| Permanent | 285                   | -       | -        | 285                    | 100%     | 326                   | -       | -        | 326                    | 100%    |  |
| Male      | -                     | -       | -        | -                      | 100%     | 326                   | -       | -        | 326                    | 100%    |  |
| Female    | 285                   | -       | -        | 285                    | 0%       | 0                     | -       | -        | -                      | 0%      |  |

(C)Details of remuneration/salary/wages, in the following format

| Category                         | Male   |                                                           | Female |                                                             |
|----------------------------------|--------|-----------------------------------------------------------|--------|-------------------------------------------------------------|
|                                  | Number | Median remuneration/ salary/wages of respective cateaorv* | Number | Median remuneration/ salary / wages of respective cateaorv* |
| Board of Directors (BoD)         | 3      | 1.41                                                      | 1      | .35                                                         |
| Key Managerial Personnel         | 3      | 0.36                                                      | 0      | 0                                                           |
| Employees other than BoD and KMF | 652    | 15.75                                                     | 27     | 12.28                                                       |
| Workers                          | 285    | 0.26                                                      | 0      | 0                                                           |

(D)Gross wages paid to females as % of total wages paid by the entity, in the following format:

FY 2024-25 5.11% , FY 2023-24 3.00%

(E)Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. The Company has Whistle Blower policy in place to encourage employees to report issues without fear of retaliation, discrimination, or disadvantage. Through designated channels, the employees may report their

concerns to the Chairman, the Company's Audit Committee, or the Chief Compliance Officer. The employees may further report their grievances to the local HR team and in case of non-satisfactory resolution, may reach out to regional and also the national HR team. Additionally, POSH Members serve as the focal point for resolving issues related to discrimination and its effects. The Company's Whistle Blower policy is available on the website, accessible at: <https://aether.co.in/wp-content/uploads/2022/08/Whistle-Blower-Policy-Vigil-Mechanism.pdf>.

(F)Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Organisation has multiple policies and platforms to address the employee grievances related to human rights. These are as under

(a)Whistle Blower (WB) Policy  
The organisation has a WB policy in place which provides all employees to an option and opportunity to raise any issues/grievances anonymously, where the identity of the whistle blower is kept confidential. A dedicated email ID has been created at an Organisational level, writing to which the employees can express their concerns. A dedicated SPOC is assigned to look into all matters independently and fairly.

(b)Prevention of Sexual Harassment Guidelines (POSH)  
With an aim to provide a safe and equal opportunity to both the genders, the organisation has in place the guidelines for POSH. The Organisation aims to create awareness from time to time so that any untoward situation of harassment is witnessed, one can reach out to the IC Committee of the Organisation by writing to the dedicated email ID. Employees can also reach out to theHR team alternatively to report the matter. An IC committee is formed for each reported instance as prescribed by POSH Act to conduct investigation and take necessary action, as and when required.

(c)Fair Appeal  
The Organisation provides this unique platform to all employees to raise their grievances related to fairness of performance management process. This platform provides every employee to appeal for any unfair or unjust evaluation of year end appraisals with relevant facts and evidences. All such grievances are reviewed and assessed to provide fair and transparent findings and resolutions to such employees.

(d)Appellate Authority  
In case the employee having grievance is not satisfied with the outcome of any of the investigation conducted or resolution provided, then one has the option of appealing against the same to the Appellate Authority of the Organisation.

(e)Number of Complaints on the following made by employees and workers:

|                                |      |                                      |      |
|--------------------------------|------|--------------------------------------|------|
| a. Sexual Harassment           | None | d. Forced Labour/ Involuntary Labour | None |
| b. Discrimination at workplace | None | e. Wages                             | None |
| c. Child Labour                | None | f. Other human rights related issues | None |

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**(H)**Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

To safeguard the complainant against any adverse consequences, Company maintains utmost confidentiality of the Complainant. All related parties against whom the Complaint has been reported are sensitised of any retaliatory action against the complainant. In case any incident of retaliation is observed or brought to notice of the management, Company takes appropriate action on the reported matter and ensures that the complainant does not undergo adverse consequences.

**(I)** Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, various human rights principles form a part of the Company's business agreements and contracts as and where relevant.

| <b>(J)</b> Assessments for the year | <b>% of your plants and offices that were assessed(by entity or statutory authorities or third parties)</b> |
|-------------------------------------|-------------------------------------------------------------------------------------------------------------|
| Child labour                        |                                                                                                             |
| Forced/involuntary labour           |                                                                                                             |
| Sexual harassment                   | 100%                                                                                                        |
| Discrimination at workplace         |                                                                                                             |
| Wages                               |                                                                                                             |
| Others – please specify             |                                                                                                             |

**(K)**Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question above.

Not Applicable. During the reporting period, the Company was not involved in any instances of any such risks/concerns. Consequently, no corrective action was required.

## Leadership Indicators

**(A)**Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

While no such incidents have occurred, the Company has established a Whistle Blower Policy to promote transparency and accountability. This policy encourages employees to report any concerns without fear of reprisal, discrimination, or disadvantage. Employees have designated channels through which they can report grievances to the Chairman, the Audit Committee, or the Chief Compliance Officer. If dissatisfied with the resolution provided by the local HR team, employees can escalate their concerns to the regional or national HR team. Additionally, issues related to discrimination and its effects are addressed by the members of the POSH committee.

**(B)**Details of the scope and coverage of any Human rights due diligence conducted.

All the Company's policies and processes are pre-approved by the Board/the Board Committee/the Senior Management of the Company. Internal audits and evaluations of the Company's policies and procedures are periodically conducted. The organisation ensures compliance with all relevant regulations at regular intervals through audits and due-diligence mechanism.

**(C)**Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

The offices are fully compliant with the guidelines of the Rights of Persons with Disabilities Act. The Company is also revamping many of its other offices to make them accessible to differently abled employees in accordance with the requirements of the Rights of Persons with Disabilities Act, 2016.

**(D)**Details on assessment of value chain partners

|                                  | <b>% of value chain partners (by value of business done with such partners) that were assessed</b>                                                                                                                                                                                                                                                        |
|----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Sexual Harassment                |                                                                                                                                                                                                                                                                                                                                                           |
| Discrimination at Workplace      | Aether actively engages with its value chain partners by assessing them through a questionnaire circulated via email. We gather information based on their responses. Out of the total, approximately 2% of the partners have been assessed, although the precise percentage by the value of business conducted with these partners is not ascertainable. |
| Child Labour                     |                                                                                                                                                                                                                                                                                                                                                           |
| Forced Labour/Involuntary Labour |                                                                                                                                                                                                                                                                                                                                                           |
| Wages                            |                                                                                                                                                                                                                                                                                                                                                           |
| Others – please specify          |                                                                                                                                                                                                                                                                                                                                                           |

**(E)**Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question above.

Not applicable



# Business Responsibility & Sustainability Report(BRSR)

## Principle 6: Businesses should respect and make efforts to protect and restore the environment

### Essential Indicators

(A)Number of Complaints on the following made by employees and workers

| Parameter                                                                               | Unit                                                         | 2025   | 2024     |
|-----------------------------------------------------------------------------------------|--------------------------------------------------------------|--------|----------|
| Total electricity consumption from renewable sources (A)                                | TJ                                                           | 111.65 | 57.88    |
| Total electricity consumption from non-renewable sources (B)                            | TJ                                                           | 81.69  | 149.75   |
| Total fuel consumption from non-renewable sources (C)                                   | TJ                                                           | 800.65 | 866.61   |
| Total energy consumption (A+B+C)                                                        | TJ                                                           | 993.99 | 1,074.44 |
| Energy intensity per rupee of turnover<br>(Total energy consumption/turnover in rupees) | Total energy consumption in TJ /turnover in rupees in Crores | 1.19   | 0.18     |
| Energy intensity per employee<br>(Total energy consumption/ Nb of employees)            | Total energy consumption in TJ / Nb of employees             | 1.02   | 4.22     |

- Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.  
There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

(B)Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable.

(C)Provide details of the following disclosures related to water, in the following format

| Parameter                                                                          | 2025    | 2024   |
|------------------------------------------------------------------------------------|---------|--------|
| (i) Surface Water                                                                  | -       | -      |
| (ii) Ground Water                                                                  | -       | -      |
| (iii) Third Party Water                                                            | 183,505 | 97,594 |
| (iv) Seawater/Desalinated Water                                                    | -       | -      |
| (v) Others                                                                         | -       | -      |
| Total volume of water withdrawal & consumption (in kilolitres) (i + ii + iii + iv) | 183,505 | 97,594 |
| Water intensity per rupee of turnover (Water consumed/turnover)                    | 22.05   | 16.38  |

\*Note: Water withdrawal and consumption is same as the company has a successful installation of ZLD

There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

(D)Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

The entity has implemented a Zero Liquid Discharge mechanism. The ZLD plant is designed to treat wastewater and minimize the amount of liquid waste produced. Here is a breakdown of the treatment process. Industrial effluent from the various stages of the process is collected and treated in an Effluent, Treatment Plant having primary treatment facility. The effluent is first collected in Collection tank. The effluent is then transferred into Equalization cum Neutralization tank and retained for enough time, where pH of the effluent is raised to 8.5 by addition of lime solution from lime dosing tank. Effluent is then pumped to primary settling tank, where suspended particles are settled. The primary treated effluent is collected into a collection tank. The settled sludge from primary settling tank is dewatered and dried in a Filter Press. The filtrate collected is returned to the neutralization tank for treatment. The dried sludge is sent to the TSDF site for secured land filling. Then the primary treated effluent is Going for stripper to Remove Low Volatile Organic and Bottom Material Is Going for Evaporation in MEE/MVR. The Condensate from Evaporation System is transfer for Secondary treatment (SBT Plant).



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SBT Treatment:

SBT is based in bioconversion process where fundamental action of nature namely, respiration, Mineral weathering and photosynthesis are brought about in a controlled media containing Selected micro and macro-organisms. Accordingly in the said process three fundamental Reactions of this plant viz. 1) respiration brings about removal of organics by oxidation of the Organic molecules 2) mineral weathering brings about pH correction 3) while photosynthesis Serves to regulate the process at work.In coming pH is in range of 6-7 and has to be adjusted with lime treatment before taking to the filter (this is done in neutralization section). Advanced Oxidation is provided as treatment using ozone generator to break down molecules to smaller size and to improve BOD/COD ratio. This biological treatment is a batch processes in which wastewater is pumped and applied into the top surface of the Bioreactor as shown in Figure. The design has suitable provision for manual removal of suspended solids from the bio-filter surface. Distribution of wastewater over the media is achieved via pumping, piping and distribution arrangements. Separate distribution lines are provided for raw wastewater as well as recycle water. The suspended Water first percolates through the bioreactor media which in houses cultured media in 40-60 mm and gets collected into the collection tank. It can then be pumped on to the media again (recycling) in order to achieve maximum solid liquid contact. The recirculation mode is provided for further polishing of the effluent. Dissolved organic and inorganic are oxidized and the water is purified further. The SBT Treated Effluent is feed in to R. O. Plant. From R. O. Plant, R. O. Permeate water is recycle in to Utilities . Reject Water is subjected to Evaporation and Condensate is Recycle to Utility.

(E)Please provide details of air emissions (other than GHG emissions) by the entity.

The air emissions of the entity were not monitored for any of the financial year. Aether, has recognized the importance of air quality and its impact on public health and the environment. To ensure that their operations are environmentally responsible, they have decided to monitor their air emissions going forward. By monitoring their air emissions, Aether can identify areas for improvement and take proactive steps to reduce their impact on the environment. This could involve implementing measures to reduce emissions from their operations, investing in renewable energy, or developing innovative solutions to address air pollution. Aether's decision to monitor their air emissions demonstrates their commitment to sustainable development and environmental stewardship. By taking responsibility for their environmental impact, they are setting an example for other companies and contributing to a more sustainable future for all. Overall, Aether's decision to monitor their air emissions is a positive step towards reducing their environmental impact and promoting sustainable development.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.  
No, the Company did not carry out any independent assurance for above disclosures in FY 2025.

(F)Please provide details of air emissions (other than GHG emissions) by the entity,

| Parameter                                                                                            | Unit                                          | 2025        | 2024        |
|------------------------------------------------------------------------------------------------------|-----------------------------------------------|-------------|-------------|
| Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) | Metric tonnes of CO2 equivalent               | 59,326.91   | 52,767.11   |
| Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6,NF3, if available)  | Metric tonnes of CO2 equivalent               | 1,23,673.45 | 1,00,751.27 |
| Total Scope 1 and Scope 2 emissions per rupee of turnover                                            | Metric tonnes of CO2 equivalent per rupees in | 35.54       | 25.77       |
| Total Scope 1 and Scope 2 emissions per rupee of turnover adjusted for Purchasing Power Parity (PPP) | Metric tonnes of CO2 equivalent per employee  | 654.92      | 602.29      |

- Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.  
No, the Company did not carry out any independent assurance for above disclosures in FY 2024-25.

(G)Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

The Company is progressing towards adopting sustainable business practices and transitioning to low environmental footprint. The Company adopted a ConvergeO platform which represents a novel and cutting-edge technology for the manufacture of more sustainable polyols that could contain up to 40% of carbon dioxide by weight, thus reducing overall CO2 emissions. These are a differentiated series of polyols with promising applications in the CASE (coatings, adhesives, sealants, elastomers) industry. The commercialization and revenue potential of these novel polyols is significant, with a targeted market of 850 KTA (850,000 MT per year) and a CAGR of 5%, out of the overall CASE industry polyol market size of more than 10,000 KTA.

(H)Provide details related to waste management by the entity, in the following format

| Parameter                                                                                                                                           | 2025     | 2024     |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|----------|----------|
| Plastic waste (A)                                                                                                                                   | 695.20   | 695.20   |
| Other hazardous waste (B)                                                                                                                           | 4,273.96 | 4,039.33 |
| Total (A+B)                                                                                                                                         | 4,969.16 | 4,734.53 |
| Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) Metric tonnes/MM                                            | .60      | 0.79     |
| Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP) | 23.74    | 18.58    |



# Business Responsibility & Sustainability Report(BRSR)

For each category of waste generated, total waste recovered through recycling, re-using or others recovery operations (in metric tonnes)

| Category of Waste | 2025   | 2024   |
|-------------------|--------|--------|
| (i) Recycled      | 800.56 | 772.01 |
| Total             | 800.56 | 772.01 |

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

| Category of Waste | 2025     | 2024     |
|-------------------|----------|----------|
| (i) Incineration  | 1,005.89 | 1,244.34 |
| Total             | 1,005.89 | 1,244.34 |

(I) Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

By adopting certain best waste management practices, we are able to reduce our environmental impact, conserve valuable resources, and promote sustainability in our operations. We are committed to continuing to improve our waste management practices and exploring new opportunities to reduce our environmental footprint. The waste management practices adopted are as follows

- 100 KL Zero Liquid Discharge Plant for effluent treatment
- Using renewable energy (equity based and through purchase power agreement based solar energy), covering our 100% energy requirement of all the units
- Using of the bio-diesel
- Use of 100 TR Brine Chiller and 75 HP cooling tower
- Discontinued the use of ground-water
- No direct air emissions
- In-house Solvent Recovery Plant (SRP) towards solvent recovery and its captive use makes the process more efficient
- Recently maintaining a premises as a small tree-scape in industrial area (named as ‘Aether Van’)
- Using services of community effluent treatment plant
- Using services of community boiler for steam requirements, instead setting up our own boiler..

(J)If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required.

The company refrains from conducting its operations in environmentally fragile or ecologically sensitive regions. This strategic decision underscores the company's commitment to responsible business practices and environmental stewardship, avoiding potential harm to delicate ecosystems. By deliberately choosing locations that are not ecologically sensitive, the company aims to minimize its environmental impact and contribute to the preservation of biodiversity and natural habitats.

(K)Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year  
Not applicable

(L)Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format

Yes, Aether ensures that it complies with all applicable environmental laws, rules, and guidelines in India, including the Environment Protection Act and Rules, the Air (Prevention and Control of Pollution) Act, and the Water (Prevention and Control of Pollution) Act.

| Specify the law / regulation / guidelines which was not complied with | Provide details of the non-compliance | Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts | Corrective taken, if any action |
|-----------------------------------------------------------------------|---------------------------------------|-----------------------------------------------------------------------------------------------------------|---------------------------------|
| None                                                                  | None                                  | None                                                                                                      | None                            |



# Business Responsibility & Sustainability Report(BRSR)

## Leadership Indicators

(A)Water withdrawal, consumption and discharge in areas of water stress (in kilolitres)

Our plants are situated in regions where water stress is not a concern. This deliberate choice of locations is part of our commitment to responsible resource management, ensuring that our operations have minimal impact on water-stressed areas.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

(B)Please provide details of total Scope 3 emissions & its intensity, in the following format

| Parameter                                                                                              | Unit                            | 2025   | 2024   |
|--------------------------------------------------------------------------------------------------------|---------------------------------|--------|--------|
| Total Scope 3 emissions<br>(Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3,if available) | Metric tonnes of CO2 equivalent | 561.77 | 688.21 |
| Total Scope 3 emissions per rupee of turnover                                                          | Metric tonnes of CO2 equivalent | 0.67   | 1.04   |

(C)With respect to the ecologically sensitive areas reported at Question of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

The company refrains from conducting its operations in environmentally fragile or ecologically sensitive regions. This strategic decision underscores the company's commitment to responsible business practices and environmental stewardship, avoiding potential harm to delicate ecosystems. By deliberately choosing locations that are not ecologically sensitive, the company aims to minimize its environmental impact and contribute to the preservation of biodiversity and natural habitats.

(D)If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format

| Sl. No. | Initiatives undertaken                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Details of initiative                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Outcome of the initiative |
|---------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| 1       | Aether Industries partnered with Novoloop on the sustainable plastic management project.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Novoloop's Lifecycling™ technology. This breakthrough technology transforms post-consumer plastic waste into virgin-quality monomers for the synthesis of virgin-quality, high performance materials such as the company's Lifecycled™ thermoplastic polyurethane. This pilot plant is a testament to the commitment of the Novoloop team and for both of the company to tackle the global plastic crisis. By scaling this technology, a pathway is being created towards a truly circular world, where plastic waste becomes a valuable resource.                                                        | To be monitored           |
| 2       | First commercialization of the sustainable Converge polyols technology in conjunction with H.B. Fuller and Saudi Aramco Technologies Company                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | The ConvergeÒ platform represents a novel and cutting-edge technology for the manufacture of more sustainable polyols that could contain up to 40% of carbon dioxide by weight, thus reducing overall CO2 emissions. These are a differentiated series of polyols with promising applications in the CASE (coatings, adhesives, sealants, elastomers) industry. The commercialization and revenue potential of these novel polyols is significant, with a targeted market of 850 KTA (850,000 MT per year) and a CAGR of 5%, out of the overall CASE industry polyol market size of more than 10,000 KTA. | To be monitored           |
| (E)     | Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.<br>Yes, Aether has a comprehensive Business Continuity Management (BCM) policy and a strong BCM plan to mitigate the impact of unforeseen events or uncertainties. The Board-approved policy outlines the general guidelines for recovering and restoring information, resuming operations, and maintaining business continuity during various incidents caused by natural disasters, technological issues, human error, and pandemics. As disruptions can happen at any moment, the Company has developed a BCM plan to mitigate the adverse effects of operational risks, including business disruption and system failures. |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                           |
| (F)     | Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?<br>Given the nature of business, there were no reported negative impacts from the Company's activities on the environmental resources.                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                           |



# Business Responsibility & Sustainability Report(BRSR)

(G)Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

The Company actively engages with the value-chain partners for communicating the sustainability goals. In addition, the Company has also aligned its sustainability objectives in line with the interest of the critical stakeholder groups. The Company did not take up any assessments for evaluating the environmental impacts of the value chain partners. However, Aether has expressly stated the compliance to the statutory laws and regulations in business contracts/agreements.

## Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

### Essential Indicators

- (A)a. Number of affiliations with trade and industry chambers/associations.    3
- b. List the top 10 trade and industry chambers/associations

| Name of the trade and industry chambers/associations | Reach of trade and industry chambers/ associations<br>(State/National) |
|------------------------------------------------------|------------------------------------------------------------------------|
| Chemexil                                             | National                                                               |
| Indian Chemical Council                              | National                                                               |
| The South Gujarat chamber of Commerce                | State / Local                                                          |

- (B)Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.
- No adverse order was received by the company from regulatory authorities. Hence, no corrective action was required to be taken.

### Leadership Indicators

- (A)Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.
- Aether is actively involved in advocating for public policies that enhance the governance framework within its sector. Additionally, the company provides its expertise to tackle social and regulatory challenges. It collaborates with trade organizations and associations to shape public policies across various domains such as governance, finance, and social development. Through its involvement in industry associations, Aether actively promotes initiatives aimed at advancing the industry and serving the public good. The company adheres to a strict Code of Conduct Policy to uphold the highest standards of business ethics when engaging with these trade associations and industry bodies.

## Principle 8: Businesses should promote inclusive growth and equitable development

### Essential Indicators

- (A)Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Not conducted. In the context of Corporate Social Responsibility (CSR) projects, we understand that SIA plays a critical role in ensuring that the intended benefits are delivered to the targeted communities and that any potential negative impacts are identified and addressed. Though we have did not undertake such project in current fiscal, we shall consider to conduct in the near future.

- (B)Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.
- Not applicable.

- (C)Describe the mechanisms to receive and redress grievances of the community.

|                                              | 2025 | 2024 |
|----------------------------------------------|------|------|
| Directly sourced from MSMEs/ small producers | 40%  | 40%  |
| Sourced directly from India                  | 65%  | 70%  |

- (C)Describe the mechanisms to receive and redress grievances of the community.
- Aether has established a clear and effective grievance mechanism to address and resolve complaints from all stakeholders. We actively encourage community members to voice their grievances or concerns through our NGO partners. Working closely with these partners, we collaboratively address grievances and take appropriate actions to resolve them.

- (D)Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

| Location     | 2025 | 2024 |
|--------------|------|------|
| Rural        | 0    | 0    |
| Semi Urban   | 0    | 0    |
| Urban        | 100% | 100% |
| Metropolitan | 0    | 0    |



# Business Responsibility & Sustainability Report(BRSR)

## Leadership Indicators

- (A)Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question of Essential Indicators above).  
Not applicable.
- (B)Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies.  
Aether’s CSR initiatives are focused on education and skill development and healthcare for our staff and local community. For example, we make contributions towards educational fees for all our workers and staff. We engage in community welfare through our associated Aether Foundation, to assist with the needs of our staff and local community including education for kids, opening of schools in remote places medical assistance, blood donations and eye checking camps, however no CSR project has been taken in the designated aspirational district in the reporting period.
- (C)Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups?  
The Company maintains a procurement policy that ensures impartiality and fairness in the selection and procurement processes of its suppliers. It is driven by the Company’s procurement policy/SOP, supplier code of conduct, and practices, does not specifically mentions about marginalized or vulnerable groups, but ensures that all suppliers are evaluated equally without bias.
- (D)Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.  
Not applicable.

(E)Details of beneficiaries of CSR Projects

| Sl. No. | CSR Project                                         | No. of persons benefitted from CSR projects | % of beneficiaries from vulnerable and marginalized groups      |
|---------|-----------------------------------------------------|---------------------------------------------|-----------------------------------------------------------------|
| 1       | Promoting education                                 | 570                                         | 100%                                                            |
| 2       | Facilities to old age homes / Sr. Citizens          | 72                                          | Not Applicable                                                  |
| 3       | Training to nationally recognized and olympic sport | 2                                           | Not Applicable                                                  |
| 4       | Providing healthcare                                | 600                                         | Not Quantifiable since it includes wide array of beneficiaries. |
| 5       | Animal welfare                                      | 100                                         | Not applicable                                                  |

## Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

### Essential Indicators

- (A)Describe the mechanisms in place to receive and respond to consumer complaints and feedback.  
Aether has implemented a comprehensive escalation process for customer complaints, which is also outlined on the Company’s website for easy access. Clients can follow a three-step procedure to address their concerns:

Customers can submit their grievances through various channels such as email, toll-free phone numbers, or complaint letters. If dissatisfied with the initial resolution, customers have the option to directly email the Deputy Vice President of Customer Support. If still unsatisfied, customers can escalate their concern by sending an email directly to the head of customer support.

The Company’s continuous efforts to streamline operations, introduce relevant products and digital technologies, and advance digital solutions have significantly enhanced customer experience and satisfaction.

- (B)Turnover of products and/services as a percentage of turnover from all products/service that carry information about

|                                                             | As a % of total turnover |
|-------------------------------------------------------------|--------------------------|
| Environmental and social parameters relevant to the product | 100%                     |
| Safe and responsible usage                                  | 100%                     |
| Safe and responsible usage                                  | 100%                     |
| Recycling and/or safe disposal                              | 100%                     |



# Business Responsibility & Sustainability Report(BRSR)

(C)Number of consumer complaints in respect of the following

|                           | 2025 | 2024 |
|---------------------------|------|------|
| Data privacy              | None | None |
| Advertising               | None | None |
| Cyber-security            | None | None |
| Delivery of essential sei | None | None |
| Restrictive Trade Practi  | None | None |
| Unfair Trade Practices    | None | None |
| Other                     | None | None |

(D)Number of consumer complaints in respect of the following  
None

(E)Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.  
Yes, Aether has a structured information and cyber security framework which ensures security and data privacy by establishing thorough management processes throughout the organisation. The Company has a strong Information and Cyber-Security (ICS) policy that has been authorised by the Board and is in accordance with the IRDAI cyber-security requirements and international ISO standards.

These systems and procedures and the security standard for cloud computing adhere to ISO 27001:2013, the information security management system. This assists the business in identifying and quickly eliminating any threats to its network, application, and infrastructure.

Technological and process controls are implemented to ensure protection from and response to potential cyber risks in line with the leading cyber security guidelines and IRDAI mandate. Aether evaluates and implements various security technologies and solutions to help address cyber risks through a risk-based approach

The administration, application, and efficacy of the cyber-security policy are all monitored by a team of independent internal auditors. Additionally, a competent third-party performs an Independent Assurance Audit each year to assess if these policies are adequate in light of regulatory bodies' requirements.

(F)Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; Aether being a responsible brand has all the systems and processes in place to adhere to the fair trade practices. The IT infrastructure is extremely strong and is continuously updated to ensure highest level of data security. No

complaints regarding advertising, the provision of essential services, cyber security and customer data privacy, the recurrence of product recalls, or penalties or actions taken by regulatory authorities over the safety of goods or services were received during the reporting period.

(G)Provide the following information relating to data breaches  
Nil

## Leadership Indicators

(A)Channels/platforms where information on products and services of the entity can be accessed (provide web-link, if available).  
We, at Aether, strive to provide a holistic & uniform service experience across all touch points/life cycle stages to our customers. While we are transforming our business to paperless operations, we have also introduced innovative channels for our customers to reach out to us through website.for our customers to reach out to us through website.

(B)Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.  
Aether takes huge steps to engage with its customers to appropriately inform them regarding the product. The awareness policy that the Company has implemented outlines the customer rights.

(C)Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.  
Owing to our robust business continuity plans, we, at Aether, strive to avoid any major disruption in our business. Also, the Company notifies consumers of any potential interruption or discontinuance of critical services in writing, along with any connected justification. When a product or service is discontinued, the Company makes sure that its customers are informed through a variety of channels.

(D)Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes, we, at Aether, have always believed in being transparent with our stakeholders by providing all the relevant details and necessary information. We also display important Circulars and GRO contact details in each office. Also all product related details, features, FAQs along with Grievance mechanism is displayed on our website. Customers can get help from the Company on how to take advantage of specific risk-minimisation measures.

Yes, we also continuously conduct satisfaction surveys to seek feedback from our customers at various stages starting from the time of purchasing product. This feedback is used to improve systems, processes and enable us to better focus on training and development and also enhance customer experience.



# Management Discussion & Analysis Report (MD&AR)

## Summary of the primary business of the Company

Aether Industries Limited specialises in researching, developing, manufacturing, and marketing speciality chemicals and advanced intermediates, leveraging complex and innovative chemistry and technology. Incorporated in India in 2013 with a vision to carve out a global niche, the company focused on research & development, team building and infrastructure during its initial phase through FY 2017. Revenue generation began in FY 2018, and the company has consistently grown since, achieving a CAGR of 34.74% from FY 2018 to FY 2025.

## Market Concentration & Characteristics

In FY2025 the specialty chemicals market experienced challenging business environment. Excess inventory and high competition on the back of new capacities coming in China led to decrease in prices. The sector is characterised by substantial investment in research and development, leading to a high level of innovation as companies continuously develop new products. Specialty chemicals, being function-specific demand ongoing innovation.

The industry is heavily regulated by various governmental bodies, with environmental and safety concerns driving the shift towards more eco-friendly and user-safe products. As a result, traditional chemical manufacturers are increasingly focusing on developing products with reduced environmental impact.

The threat of substitutes remains minimal, as speciality chemicals are tailored to specific performance and application needs, making them difficult to replace with conventional chemicals or alternative products.

Market concentration among end-users is significant, spanning diverse sectors such as automotive, electrical and electronics, oil and gas, material science and others. Product prices are closely linked to raw material

costs, making them susceptible to market volatility. Consequently, customers have limited to moderate bargaining power.

## Market Dynamics

Specialty chemicals are integral to nearly every industrial sector. Of the global production, over half is utilized in four primary end-use industries: food and beverages; soap, cleaning products, and cosmetics; construction; and electrical and electronics. Emerging markets are anticipated to experience significant growth in this sector due to ongoing industrialization and expanding consumer-driven economies. Certain categories of specialty chemicals—such as specialty coatings, electronic chemicals, nutraceuticals, flavours and fragrances, and organic personal care products—are expected to see rapid expansion, driven by favourable conditions in their respective end-use markets.

In the oil and gas industry, technological advancements are marked by intensive research and development from major multinationals like Royal Dutch Shell, British Petroleum, and Total SA. These companies are focused on providing high-performance chemicals for applications such as oil field operations and chemical processing, aimed at improving oil recovery and maximizing reserves. However, fluctuations in global crude oil prices and availability present ongoing challenges for formulators worldwide.

## Global Chemicals Market

In 2024 the global chemical market was valued at ~USD 5.6 Trillion with China accounting for major market share. The 2029 projection uses the CAGR of 4.4% from, forecasting a market size of USD 6.9 trillion by 2029.

## Global Speciality Chemicals Market

In 2024 the speciality chemicals market was valued at ~USD 940 billion and is projected to grow between 5–6%

for the next five years to ~USD 1.2 trillion by 2029.

The 2029 projection uses the CAGR of 4.06% from, with the market expected to reach USD 1,244.13 billion by 2032, adjusted to 2029 using the CAGR.

## Indian Speciality Chemicals Market

The Indian Speciality Chemicals market in 2024 was Valued at USD 89 billion and is expected to grow to USD 145 billion in 2029 (CAGR 10.3% 2024–29). Traditionally low cost labour and raw material availability were advantages enjoyed by Indian manufacturing companies Increasingly though speciality chemicals are focussing on product development capabilities have become progressively more important across various segments.

The 2029 projection assumes continued growth beyond the 2025 forecast of USD 64 billion (CAGR 12% from and). Since specific 2029 data is unavailable, the 2025 figure is used as a conservative estimate, noting that growth may continue at a similar or slightly lower rate as per ibex.org

## Indian Specialty Chemicals Market

The Indian specialty chemicals market began gaining prominence in the late 20th century, fuelled by India’s economic liberalisation in 1991, which opened doors to foreign investment and global trade. Initially, the chemical industry focused on bulk chemicals, but the specialty chemicals segment grew as India leveraged its cost-competitive manufacturing, skilled workforce, and proximity to raw material sources like petrochemicals from the Middle East. By the early 2000s, India established itself as a key player in agrochemicals, dyes, and pigments, with companies like UPL and Atul Ltd. scaling operations.

The market faced challenges during the 2008 global financial crisis and the 2020 COVID-19 pandemic,

which disrupted supply chains and slowed demand. However, post-2020, the industry rebounded strongly due to global supply chain diversification (the “China+1” strategy) and increased domestic consumption. From 2014 to 2019, the specialty chemicals segment grew at a CAGR of 11%, outpacing the overall chemical industry, driven by rising exports and demand from end-user industries like food processing and personal care.

## Current trends

The Indian speciality chemicals market, valued at USD 64.5 billion in 2024, is experiencing robust growth:

- 1. Sustainability and Green Chemistry:** There is a strong shift toward eco-friendly and bio-based chemicals, particularly in surfactants, pigments, and coatings, to meet regulatory standards and consumer demand for sustainable products. For example, in August 2024, the Indian Institute of Science developed a sustainable surfactant from agricultural byproduct waste.
- 2. Global Supply Chain Diversification:** The “China+1” strategy has positioned India as a preferred manufacturing hub, boosting exports of agrochemicals, dyes, and speciality polymers to markets like the US, Europe, and Southeast Asia. Exports grew by nearly 20% from 2021 to 2023.
- 3. R&D and Innovation:** Companies are investing heavily in research and development (R&D) to develop high-performance chemicals. Partnerships, such as UPL’s 2024 MoU with ISRO for chemical innovation, highlight this trend.
- 4. Capacity Expansion:** Major Indian chemical players are expanding production to meet rising demand from industries like automotive, pharma, and electronics.
- 5. Digitalization and B2B Marketplaces:** The



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fragmented supply chain is being streamlined through managed B2B marketplaces, addressing the challenge of over 100,000 SKUs across manufacturers.

Despite these positive trends, challenges include raw material price volatility, dependency on imports (especially from China), and stringent environmental regulations increasing compliance costs.

**Future outlook**

The Indian Speciality Chemicals market in 2024 was Valued at USD 89 billion and is expected to grow to USD 145 billion in 2029 (CAGR 10.3% 2024–29).

**1. Rising Domestic and Export Demand:** Domestic consumption is expected to account for 20% of incremental global chemical consumption by 2040, with specialty chemicals comprising 80% of India’s chemical exports.

**2. Government Initiatives:** Policies like the Production Linked Incentive (PLI) scheme and Petroleum, Chemicals, and Petrochemicals Investment Regions (PCPIRs) are attracting investments (e.g., ₹1 lakh crore in Dahej PCPIR).

**3. Sustainability Focus:** Increasing demand for green chemicals will drive innovation in eco-friendly formulations.

**4. Global Market Share Growth:** India’s share in the global specialty chemicals market is expected to rise from 3–4% in 2021 to 6% by 2026, outpacing China’s growth.

**Overview of Aether Industries**

We are a leading specialty chemical manufacturer in India, specializing in advanced intermediates and specialty chemicals through sophisticated and differentiated chemistry and technology. Founded in

2013, our vision was to carve out a unique position in the global chemical industry by integrating innovative approaches in chemistry, technology, and systems to foster sustainable growth.

During our initial phase, through Fiscal Year 2017, we concentrated on building our team and infrastructure, alongside developing our R&D capabilities to establish our core competencies. Our revenue generation began in Fiscal Year 2018, marking the start of our second phase. Since then, the company has achieved consistent growth, with a CAGR of 34.74% in revenues from Fiscal Year 2018 to Fiscal Year 2025.

Our approach is centered on leveraging a comprehensive model of chemistry and technology competencies. Unlike many chemical companies that rely on one or a few chemistry competencies, we utilize eight distinct competencies across our diverse product range. This strategic advantage allows us to meet the specialized and advanced intermediate needs of various end-products and applications. These competencies, all developed in-house, are a testament to the strength and innovation of our R&D team.

We operate under three distinct business models: (i) Large Scale Manufacturing (LSM) of our own intermediates and specialty chemicals; (ii) Contract Research and Manufacturing Services (CRAMS); and (iii) Contract/Exclusive Manufacturing (C/EM). We are among the few Indian specialty chemical companies to have successfully established these three separate business models within just five years of commencing commercial manufacturing. Our product selection is guided by criteria such as chemical complexity, niche applications, limited competition, scalability, and commercial viability.

Applying these criteria, we develop and continue to create advanced intermediates and specialty

chemicals with applications across various sectors, including pharmaceuticals, agrochemicals, materials science, coatings, high-performance photography, additives, and oil and gas.

As of March 31, 2025, our portfolio includes over 29 products, all of which are being manufactured for the first time in India by Aether Industries Limited.

We specialize in products that integrate complex chemistries with advanced technology core competencies. Our chemistry competencies encompass Grignards, organolithium and other organometallic chemistry, ethylene oxide and isobutylene chemistry, hydrogenation, catalysis (both homogeneous and heterogeneous), cross-coupling chemistry, and metathesis/polymerization chemistry. Our technology competencies include continuous reaction technology, high-pressure reaction technology, fixed bed reaction technology, distributed control system (DCS) process automation, and high vacuum distillation technology (wiped film/short path). By focusing on core competencies, we have adopted a chemistry and technology-oriented sales vision, distinct from a traditional product and industry-oriented approach.

Our portfolio comprises advanced intermediates and specialty chemicals that bridge the gap between commodity chemicals and final actives and formulations. Our products are positioned closer to the higher value range, situated further from commodities and nearer to the final active components in the chemical industry value chain. In Fiscal Year 2025, the average selling price of our products was ₹1,306.89 per kg. We emphasize the development of high-value products that serve a range of therapeutic areas within the pharmaceutical industry, including hypertension, anti-platelet, anti-psychotic, anti-histamine, NSAIDs, antiretrovirals for HIV/AIDS, anti-

epileptics, and anti-convulsants, among others.

Beyond pharmaceuticals, our products are utilized in various sectors such as agrochemicals, material science, coatings, high-performance photography, additives, sustainability & renewables, and oil and gas. Most of our advanced intermediates and specialty chemicals were introduced for the first time in India and serve as 100% import substitutes, supporting the Government of India’s “Make in India” and “Atma-Nirbharta” initiatives. For instance, products like 4MEP, T2E, MMBC, NODG, BFA, OTBN, and DVL, which were previously imported from China, are now produced and exported by us, even reaching Chinese customers.

Our sales model primarily involves business-to-business transactions both domestically and internationally. We export a significant portion of our products to 20 countries, including Italy, Spain, Germany, the United States, India, the Netherlands, and other regions worldwide.

The cornerstone of our company is our robust in-house research and development capabilities. Our chemistry and technology core competencies, along with all our products, are developed by our dedicated R&D team, scaled up in our Pilot Plant, and brought to market using our own design and engineering expertise. We operate advanced R&D facilities and a Pilot Plant at our Manufacturing Facility 1 in Sachin, Surat, Gujarat. These facilities focus on developing our product pipeline, next-generation solutions, and catering to our CRAMS customers.

As of March 31, 2025, our specialized R&D team comprises 286 scientists and engineers (up from 276 on March 31, 2024), including 145 scientists with PhDs or Master’s degrees (from 148 in the last fiscal year) and 141 chemical engineers (up from 128 in the last fiscal year). Our R&D Facilities are equipped with laboratories



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dedicated to process development, innovation, and technology advancement, enabling us to optimize efficiencies from initial conceptualization through to product commercialization. Our strategic investments in R&D have been pivotal to our success, distinguishing us in the market and securing leading positions for several products. In Fiscal Year 2023, we tripled the size of our R&D facilities, increasing our fume hoods from 17 to 55, thereby boosting our capacity to conduct over 110 experiments and reactions per day.

Our state-of-the-art Pilot Plant serves as a critical link between R&D and large-scale production. It is one of the largest pilot plants globally, featuring over 100 reactors for both batch and continuous reaction technologies. The Pilot Plant plays dual roles: generating essential scale-up data for the transition from R&D to full production, and serving as a stand-alone facility for low-volume, high-value products for our CRAMS clients. It includes a wide array of reactor and downstream equipment for both continuous and batch processes, across diverse scale-up volumes and process parameters, all automated via DCS process automation. Notably, our Pilot Plant also houses a dedicated section for continuous reaction and flow technology, featuring pilot-scale equipment for continuous reactors and downstream processes. Like our R&D expansion, we had also tripled the capacity of our Pilot Plant in Fiscal Year 2023. And further expansion plans are going on as we have added new land next to our current R&D unit.

We operate three facilities in Sachin, Surat, Gujarat, India: Manufacturing Facility 1 covers approximately 10,500 square meters (which was only 3,500 square meters till last fiscal year) and includes our R&D labs, analytical sciences laboratories, Pilot Plant, CRAMS facility, and hydrogenation unit.

Manufacturing Facility 2 spans around 10,500 square meters and serves as a large-scale manufacturing hub with an installed capacity of 6,096 MT per annum. It includes a solvent recovery plant (SRP Plant) with a capacity of 13,140 MT, distributed across three buildings hosting 16 production streams and one SRP Plant stream. In Fiscal Year 2024, our capacity utilization was 78% (compared to 72% on March 31, 2024), with the SRP Plant at 67% (compared to 48% on March 31, 2023).

Manufacturing Facility 3, commissioned in January 2023, covers approximately 5,250 square meters. It has an installed capacity of 1,800 MT per annum and achieved a capacity utilization of 67% in Fiscal Year 2024 (compared to 62% as on March 31, 2024).

Manufacturing Facility 4, commissioned in March 2024 under our Wholly Owned Subsidiary Company – Aether Speciality Chemicals Limited, covers approximately 18,500 square meters. This site is currently dedicated to Baker Hughes for the manufacture and supply of their 8 products, for which we have entered into a multi year manufacturing and supply agreement, under our CEM Business Model.

All the facilities are equipped with DCS process automation and adhere to high standards of technology, engineering, and automation. They are strategically located near Hazira Port and JNPT Port, optimizing freight costs for exports.

Manufacturing Facility 2, Facility 3 and Facility 4 hold ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, ISMS 27001:2013, and Indian GMP certifications. All our units current and any future, will have these certifications

For future expansion, in Fiscal Year 2022, we acquired a 125,000 square meter plot at Panoli GIDC, Bharuch District, Gujarat, for future expansion. Regulatory approvals for this site’s expansion have been obtained,

and initial phase work has commenced. We have also secured additional land near Manufacturing Facility 3, referred to as 3+, for future expansion.

The expansion of the Site 3+ and the first phase expansion for the Site 5 has been started from July 2023 onwards.

Site 3+ is anticipated to be operational from end of Fiscal Year 2026 and the first phase of Site 5 is expected to be operational (with 4 production blocks) by end of Q3 of Fiscal 2026.

In addition to our core R&D and manufacturing operations (our first business model), we also engage in Contract Research and Manufacturing Services (CRAMS), which represents our second business model. This involves providing outsourced research and technology services, including contract research, pilot scale-up, contract manufacturing, FTE services, technology development, and process optimization. Our CRAMS clients collaborate closely with our scientists and engineers, utilizing our R&D Facilities, analytical laboratories, and Pilot Plant. Molecules developed through CRAMS for our clients have the potential to transition into regular commercial supplies and become products for large-scale manufacturing within our company. This model also fosters engagement with top technical teams and leadership –such as CTOs, technical directors, and VPs—of our clients, paving the way for future contract manufacturing opportunities.

## Our Market Opportunity Growth in Speciality Chemical Market

The global specialty chemical market is witnessing sustained growth, driven by demand from end-use sectors such as pharmaceuticals, agrochemicals, construction, automotive, and electronics. The market was valued at USD 285.4 billion in 2023 and is projected

to reach USD 364.8 billion by 2028, growing at a CAGR of 5.0% during the forecast period.

India is emerging as a global manufacturing hub in this segment. The Indian specialty and fine chemicals market stood at USD 46.7 billion in 2022 and is expected to grow to USD 95.2 billion by 2030, at a CAGR of 9.3%, according to Grand View Research.

This growth is supported by:

1. Increasing export demand as global companies seek China-plus-one sourcing strategies.
2. Rising domestic consumption across industrial and consumer sectors.
3. Government support for the chemical sector under the Production Linked Incentive (PLI) schemes.

With an increasing focus on sustainability, innovation, and high-value formulations, specialty chemicals continue to play a crucial role in enabling next-generation technologies and environmentally friendly solutions.

Aether Industries is well-positioned to capitalize on the expanding specialty chemicals market both in India and globally, thanks to our core competencies in chemistry and technology. Our enhanced R&D efforts will further leverage our existing assets and support our expansion initiatives across various manufacturing sites.

## Factors driving the growth in the Indian Speciality Chemicals market

The following factors are driving growth in the India Speciality Chemicals market:

### Growth in end use segments

The speciality chemicals industry in India is driven by both domestic consumption and exports.



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## Supply chain de-risking driven by China downturn

Global companies are accelerating efforts to diversify supply chains away from China, responding to a combination of economic slowdown, rising costs, trade tensions, and regulatory risks:

1. **Economic pressures in China**—including slower growth, industrial overcapacity, rising labor costs, and weakening domestic demand—have lowered China's competitiveness in labor-intensive manufacturing, spurring companies to seek alternatives globally.

2. The widely adopted "China +1" or "Anything But China" strategy reflects this shift, steering production to countries like India, Vietnam, Indonesia, Malaysia, and parts of Latin America.

3. Major industries—such as **electronics, textiles, specialty chemicals, and pharmaceuticals**—are leading the reconfiguration; companies like Apple, HP, Intel, and others are scaling operations in these new manufacturing hubs.

4. Government policies are reinforcing the trend: initiatives like **Supply Chain Resilience Initiative (India–Japan–Australia)** and broader **friend-shoring** frameworks support intentional diversification away from China.

## Key drivers

1. **Structural slowdown and reform** in China is impacting sectors like automotive, textiles, and electronics, while its industrial overcapacity continues to weigh on global supply chains.

2. **Geopolitical and trade disruptions**, including tariffs, export controls, and growing unpredictability in China–U.S. relations, have intensified supply-chain risk perception.

## Where are the supply chains relocating?

1. **Southeast Asia:** Countries such as Vietnam, Malaysia, Thailand, and Indonesia are attracting capital and manufacturing due to competitive cost structures and supportive trade deals

2. **India:** Emerging as a focal point for diversification—especially in sectors like electronics and chemicals—with supportive infrastructure, policy incentives, and rising investments.

## Additional factors influencing and driving the Indian specialty chemicals market

Beyond strong domestic demand and global supply chain diversification, several key factors are accelerating growth in India's specialty chemicals sector:

1. **Government Initiatives:** Policies such as the Production Linked Incentive (PLI) scheme and Make in India promote manufacturing competitiveness and investment in high-value chemical production.

2. **R&D and Innovation:** Increased focus on research, process optimization, and sustainable chemistries is enabling Indian companies to develop advanced specialty products catering to global quality and environmental standards.

3. **Rising End-User Industries:** Growth in pharmaceuticals, agrochemicals, personal care, **electronics, and construction sectors is boosting demand for specialty chemicals with tailored properties.**

4. **Export Potential:** India's cost advantages and improving infrastructure are enhancing its position as a preferred global supplier, especially amid supply chain realignment.

5. **Sustainability Trends:** Adoption of green chemistry practices and bio-based specialty chemicals aligns with global environmental regulations and customer preferences.

Together, these factors create a robust ecosystem that drives innovation, competitiveness, and expansion of India's specialty chemicals market.

## Our (Aether Industries Limited's) strengths

We believe that we possess a number of competitive strengths, which enable us to successfully execute our business strategies, including the following:

## Focus on R&D to leverage our core competencies of chemistry and technology

Our Company is fundamentally anchored in our robust in-house research and development capabilities. Strategic investments in R&D have been pivotal to our success, setting us apart and enabling us to secure leading market positions for various products. Leveraging the technical expertise we've cultivated over the years, we execute innovative processes on a global scale that are challenging to replicate, thus establishing significant barriers for new entrants.

Our core competencies in chemistry and technology, as well as all our products, have been developed exclusively by our in-house R&D team. These innovations are scaled up in our Pilot Plant and launched into production through in-house design and engineering. This independent development, unassisted by client R&D, underscores our strength in innovation and research. Our expertise spans a wide array of chemistries and technologies, supporting numerous end-use industries. Notable examples of our chemistry core competencies include Grignards, organolithium and other organometallic chemistries, ethylene oxide and isobutylene chemistry, hydrogenation, catalysis (both homogeneous and

heterogeneous), cross-coupling chemistry, and metathesis/polymerization chemistry. We are a pioneer in the Indian specialty chemicals market for tandem Grignard and ethylene oxide chemistry, with only a few competitors in these areas.

In Fiscal Year 2023, we tripled the size of our R&D Facility, increasing the number of fume hoods to 55, which allows us to conduct over 110 reactions and experiments daily. Additionally, our R&D personnel increased from 276 as of March 31, 2024, to 286 as of March 31, 2025, reflecting significant growth in our research capabilities.

We are committed to the continual enhancement and expansion of our R&D and Pilot Plant facilities, recognizing them as essential drivers for product development. In Fiscal Year 2025, our total capital expenditure, including investment in the Pilot Plant, was approximately ₹426 MM (FY 2023-24: ₹300).

Aether Industries Limited is strategically expanding its Research & Development (R&D) infrastructure to strengthen its position as a global leader in specialty chemicals and contract research.

The company has acquired additional land adjacent to its existing R&D facility in Hojiwala, Surat, where it plans to significantly scale its R&D and pilot plant capabilities. This expansion will enable Aether to double its current R&D capacity, support more complex chemistries, and accelerate product development across its CRAMS, contract manufacturing, and proprietary product segments.

As part of this initiative, Aether is also investing in cutting-edge analytical equipment, including advanced spectroscopy and process simulation tools, to enhance innovation and quality.



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This R&D expansion reinforces Aether’s long-term vision of being an innovation-first, customer-focused company, capable of delivering high-value, sustainable solutions to global partners.

**Long standing relationships with a diversified customer base**

Our customer base includes over 270 multinational, regional, and local companies. As of March 31, 2025, our products are supplied to more than 50 global customers across 18 countries and over 220 domestic clients.

We are committed to delivering high-quality products consistently, which builds long-term relationships and reduces customer inclination to seek alternative suppliers. This creates a competitive advantage for us, as new entrants face significant investment and lengthy approval processes.

In Fiscal Year 2025, our facilities were audited 38 times by various customers or their external auditors. Our CRAMS model facilitates valuable interactions with top technical leaders, leading to further project opportunities.

We provide a comprehensive supply chain solution—from initial research and development through to commercial-scale manufacturing—while maintaining transparent communication and straightforward payment terms.

**Aetherians**

We possess a highly skilled team in essential scientific and engineering fields. Our dynamic, ambitious "start-up" culture is reflected in our average staff age of 29 years as of March 31, 2024. Our core and senior management team consists of technical experts specializing in organic chemistry and chemical engineering.

**QEHS**

**Integrated QEHS Management**  
Aether implements a unified QEHS framework that aligns quality, environmental stewardship, occupational health, and safety across all operations.

**Global Certifications**  
The company maintains ISO 9001:2015 (quality), ISO 14001:2015 (environment), ISO 45001:2018 (occupational health & safety), and ISO 27001:2013 (information security) certifications, alongside Indian GMP standards.

**Proactive Systems & Culture**  
Aether embeds QEHS into its business processes, prioritizes risk assessment throughout the product lifecycle, and promotes continuous improvement through audits, training, and stakeholder engagement.

**Environmental & Safety Performance**  
The company has advanced its energy efficiency via renewable adoption, optimized wastewater and waste management, and emphasized zero-incident safety awareness—especially following a fire incident at one site, which led to strengthened protocols and emergency preparedness systems.

Aether’s QEHS approach is not just compliance-driven but woven into strategy and culture. It ensures the delivery of high-quality products, minimizes environmental impact, protects its workforce and communities, and aligns with global best practices—reinforcing trust with clients, regulators, and investors alike.

**Synergistic Business Models focused on Large Scale Manufacturing, CRAMS and Contract Manufacturing**  
We operate under three distinct business models: (i) large-scale manufacturing (LSM) of our own intermediates and specialty chemicals; (ii) Contract

Research and Manufacturing Services (CRAMS); and (iii) contract/exclusive manufacturing (CEM). According to F&S, we are among the few Indian specialty chemical companies to have successfully launched all three models into commercial production within just five years. All these Business Models are generating revenues for Aether Industries, wherein, LSM had been the most contributing model, but off late recently CEM has picked up well on account of the new contracts entered into by Aether Industries Limited, with marque customers like Saudi Aramco, Baker Hughes, Seqens, Novoloop, Milliken and many others.

These business models are mutually reinforcing. For instance, customers for our own intermediates and specialty chemicals are often the same targets for our CRAMS and contract manufacturing services. Our CRAMS business enables collaboration with innovative firms on new products, enhancing our R&D capabilities and supporting the development of our own offerings. Additionally, increasing production through contract manufacturing allows us to achieve economies of scale and negotiate better pricing with suppliers.

**Automated manufacturing facilities utilizing advanced technologies and systems**

Our manufacturing infrastructure, cutting-edge technologies, and automation are crucial to our growth in intermediates and specialty chemicals. We have pioneered innovative manufacturing processes and product recipes, establishing leadership in many of our product categories.

We operate four sites in Sachin, Surat. Manufacturing Facility 1, spanning approximately 10,500 square meters, houses our R&D, analytical labs, Pilot Plant, CRAMS, and hydrogenation facilities. Manufacturing Facility 2, covering about 10,500 square meters, serves as a large-scale manufacturing hub with a capacity of 6,096 MT per annum (and 13,140 MT for the SRP Plant)

across 16 production streams and one SRP Plant Stream as of March 31, 2025. Manufacturing Facility 3, covering 5,250 square meters, has a capacity of 1,800 MT per annum as of March 31, 2025. We have also procured a plot of land adjacent to Manufacturing Facility 3 (termed as Manufacturing Facility 3++, covering 5,250 square meters), which will be dedicated to a customer of USA for the Contract / Exclusive Manufacturing.

In March 2024, Manufacturing Facility 4 was commissioned and production commenced at our wholly-owned subsidiary, Aether Speciality Chemicals Limited. This facility, designed for six products under the Contract/Exclusive Manufacturing model for Baker Hughes, will also provide a 7% income tax benefit.

We acquired a 125,000 square meter plot at Panoli GIDC, Bharuch District, Gujarat, in Fiscal Year 2022 for future expansion, termed as Manufacturing Facility 5. In Fiscal Year 2024, we received regulatory approvals and began the first phase of development. Additionally, we acquired land near Manufacturing Facility 5, ad measuring 60,000 square meters, which makes this Manufacturing Facility 5 totalling to 46 acres approximately. Phase one expansion at Manufacturing Facility 5, has been started from July 2023, wherein 4 production blocks, common utilities and administration building will be contracted. We are hopeful to have the first phase ready and commissioned with 2 blocks by end of December 2025. And then on every 6 months, we foresee, 2 production blocks coming up for the future of Aether Industries Limited’s growth.

Each facility operates independently, with dedicated quality departments, effluent treatment plants, and warehouses. Their proximity to Hazira and JNPT Ports helps reduce export freight costs.

Our facilities employ advanced technologies and



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systems such as:

1. Continuous Reaction Technology
2. Advanced Batch Reaction Technology
3. High Pressure Reaction Technology
4. Fixed Bed Reaction Technology (Liquid / Gas Phase)
5. Cryogenic Reaction Technology
6. Distillation Technology (wiped film and short path)
7. Distillation Technology (high vacuum and fractional)

We employ Distributed Control Systems (DCS) for process automation: Siemens PCS7 DCS in our Pilot Plant and CRAMS operations, and Yokogawa Centum VP DCS in our manufacturing facilities. These systems enhance reliability, ensure consistent product quality, reduce overhead costs, and improve safety by minimizing human error and industrial accidents. Our operations are certified under ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, ISMS 27001:2013, and Indian GMP.

### Contract Research and Manufacturing Services (CRAMS)

Our CRAMS business are the services that our customers outsource to us and include: Contract research;

1. Pilot scale-up services;
2. Contract manufacturing;
3. Full time equivalent (FTE) services;
4. Technology development; and
- 5.Process development and optimisation

Our state-of-the-art Pilot Plant provides a significant competitive edge in attracting CRAMS customers. It serves a dual purpose: generating crucial scale-up data to address potential issues before full-scale production and operating as a standalone facility for low-volume, high-value products for CRAMS clients. The Pilot Plant features a diverse array of reactors and downstream equipment, accommodating both continuous and batch processes across various scales,

metallurgies, and parameters, all managed through DCS automation.

CRAMS customers collaborate closely with our scientists and engineers, leveraging our R&D Facilities, analytical labs, and Pilot Plant. Molecules developed through CRAMS can transition into large-scale commercial production for our company. The CRAMS model also fosters high-level discussions with technical leaders (CTOs, technical directors, VPs), paving the way for future contract manufacturing opportunities.

In Fiscal Year 2023, we had tripled the capacity of our R&D and Pilot Plant from October 2022, expanding the number of fume hoods from 17 to 55 for increased experimentation and adding more reactors to the Pilot Plant. The total area for these is approximately 7,000 square meters and the same which were leased from the Company's director's HUF and his spouse, are now purchased from them and assets of the Company from Fiscal Year 2024-25.

We have recently also added one more adjacent land to the Research & Development and Pilot Plant Unit, ad-measuring approximately 3,500 square meters. This adds up to total our Research & Development Unit and Pilot Plant unit to 10,500 square meters, equivalent to our Manufacturing Facility 2 in Sachin GIDC. We will be adding up a Research unit at this adjacent land, the work for which has been started from March 2025 and we expect to incur a capex of ₹65 Crores odd for the said expansion. We will be increasing the fumes hoods from current 55 to 150 to allow us to take up more of the CRAMS business, the inquiries for which are filling up very fast. We will also be enabling more in-house product developments, for our Large Scale Manufacturing business model.

### Contract Manufacturing / Exclusive Manufacturing (CEM)

We also manufacture our customers' products under a contractual supply agreement based model. These customer contracts are both short-term and long-term and involve both exclusive and non-exclusive arrangements.

Aether Industries' Contract / Exclusive Business Model is a cornerstone of its growth strategy, blending innovation, sustainability, and global partnerships. By focusing on high-value, client-specific manufacturing and leveraging its advanced R&D and production capabilities, Aether is well-positioned to maintain its leadership in the specialty chemicals sector while contributing to sustainable industrial solutions.

### Key Features of the Contract / Exclusive Business Model

**1. Exclusive Manufacturing Agreements:** Aether Industries secures long-term, take-or-pay contracts with global industry leaders, such as Baker Hughes, SEQENS, and Saudi Aramco's Converge business. These agreements ensure stable revenue streams and predictable demand, reducing market volatility risks. For instance, Aether's 2023 agreement with Baker Hughes involves manufacturing six specialty pour-point depressants for crude oil transportation, while the 2024 SEQENS deal focuses on bio-based products with an annual volume exceeding 100 metric tonnes.

**2. High-Value, Niche Products:** The model emphasizes the production of complex, technology-intensive chemicals, leveraging Aether's expertise in advanced chemistries like high-pressure hydrogenations, Grignard reactions, and continuous reaction technologies. This focus on high-margin, differentiated products strengthens Aether's competitive edge in industries such as pharmaceuticals, oil and gas, and sustainable materials.

**3. Collaborative Process Development:** Aether

collaborates closely with clients to develop and scale innovative manufacturing processes. For example, the SEQENS agreement involved three years of joint development to create a complex, continuous reaction process for bio-based products, showcasing Aether's R&D and pilot plant capabilities.

**4.Sustainability Focus:** The model aligns with global trends toward sustainable chemistry. Aether's exclusive manufacturing of CO<sub>2</sub>-based polyols for Saudi Aramco's Converge business, used in coatings, adhesives, and elastomers, positions the company as a leader in carbon-neutral solutions, with a 2,000 TPA production line already operational.

**5. Global Reach and Scalability:** With over 50% of FY24 revenues from exports to regions like Japan, Europe, the US, and the Middle East, Aether's contract manufacturing model supports global supply chains. The company's state-of-the-art facilities in Surat, including the recently commissioned Site-4 for Baker Hughes, enable scalable production from 1 kg to thousands of metric tonnes.

### Strategic importance

**1. Revenue Contribution:** In Q4 FY25, contract manufacturing accounted for 38% (FY 24 - 26%) of Aether's revenue, reflecting a strategic shift toward higher-value exclusive agreements over traditional product manufacturing. This shift enhances profitability and aligns with global demand for customized chemical solutions.

**2. Competitive Moat:** Aether's deep chemistry expertise, cutting-edge R&D, and ability to handle complex processes create a strong moat, distinguishing it from competitors reliant on volume-based or single-chemistry platforms.

**3. Long-Term Growth:** Exclusive contracts with



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marquee clients like Baker Hughes and SEQENS, combined with investments in sustainable technologies, position Aether to capture emerging opportunities in green chemistry and high-growth industries.

### Focus on Quality, Environment, Health and Safety (QEHS)

Our business is dedicated to sustainability, prioritizing quality, environment, health, and safety.

We recognize that upholding superior product quality is crucial to our brand and growth. To ensure consistent quality, efficacy, and safety, we have implemented rigorous quality systems across all our manufacturing processes, from production to delivery. Our products meet global quality standards and undergo thorough quality checks, including random sampling and internal inspections. Numerous key customers have audited and approved our facilities, validating the continued excellence of our operations. In Fiscal Year 2025, we underwent 38 audits (FY 2024: 29 audits) by customers or their external auditors. Additionally, we hold ISO 14001 (Environment), ISO 45001 (Occupational Safety), and ISO 27000 certifications. As of March 31, 2025, our environmental and safety teams consist of 53 (March 31, 2024: 50) and 47 (March 31, 2024: 45) employees, respectively, which is 5.37% and 4.76% (March 31, 2024: 5.22% and 4.70%) respectively of our total work force, reflecting our commitment to maintaining a safe and sustainable operation.

We are committed to minimizing our environmental impact by adhering to stringent standards that not only meet but often surpass regulatory requirements. Our manufacturing practices embody the principles of green chemistry, focusing on energy efficiency, atom economy, and the 4R strategy (reduce, recover, recycle, reuse). We utilize cleaner chemistries, advanced reaction technologies, and automation to optimize the use of non-toxic materials and reduce effluent

generation.

Our sustainability efforts include a 100 KLPD in-house zero liquid discharge (ZLD) plant, featuring comprehensive treatment technologies such as chemical neutralization, multiple effect evaporators, mechanical vapour recompression, reverse osmosis, and a soil biotechnology platform with ozonation. In July 2022, we had commissioned a 16 MW solar power plant at Sarod Village, Gujarat, funded by internal accruals, to power our current facilities and Greenfield project. We have further invested in a 15 MW solar plant with auto-tracker modules, which has also become operational fully in December 202, which entails us to cover more than 75% of our electricity cost for Manufacturing Facility 1, Manufacturing Facility 2 and Manufacturing Facility 3. We will continuously be investing in the renewable sources of energy and are fast tracking the solar / wind / hybrid model for our upcoming new sites.

We also prioritize employee health and safety, ensuring a safe and supportive work environment. This includes hazard and operability studies for new products, an in-house mobile app for resource coordination, and comprehensive safety equipment including firefighting and safety systems including 700 m3 fire hydrant water storage, 271 m3 main electrical pump and diesel pump, automated foam monitors and water sprinklers, and Pulse Position Modulation (PPM) detection for gas and solvent leakage. Our plant wide DCS automation system allows us to control our safety systems and processes. Our safety infrastructure includes advanced firefighting systems and a collaborative fire hydrant water reserve (over 2,000 m3 capacity) with neighbouring chemical companies, enhancing overall safety and response capabilities.

Strong and consistent financial performance  
Aether Industries Limited, a leading specialty chemical manufacturer based in Surat, Gujarat, India, has

demonstrated strong and consistent financial performance since its inception in 2013. The company's focus on advanced intermediates, contract manufacturing, and CRAMS (Contract Research and Manufacturing Services) has driven robust growth, underpinned by operational efficiency and strategic market positioning.

### Key financial highlights

**1. Revenue Growth:** Aether has achieved significant revenue growth, with Fiscal Year 2025, total revenue Reaching ₹8,803.31 million, reflecting a compounded annual growth rate (CAGR) of 35% from FY19 to FY25. In Q4 FY25, consolidated revenue surged 90% year-on-year to ₹2,452.65 million, driven by strong demand in pharmaceuticals, agrochemicals, and oil and gas sectors.

**2. Profitability:** The company reported a consolidated net profit of ₹1584.18 million in FY25, a 92.05% increase from FY24, with Q4 FY25 net profit at ₹502.98 million, up 3622.27% from a ₹14.28 million loss in Q4 FY24, due to operational recovery post a fire incident. EBITDA margins have remained healthy, ranging from 22-33% over recent years, with Q4 FY25 at 32%.

**3. Operational Efficiency:** Aether's operating profit margin reached a high of 32% in Q4 FY25, with EBITDA of ₹768.05 million, up 2,606.31% year-on-year, reflecting improved cost management and production stability.

**4. Strong Balance Sheet:** Aether is nearly debt-free, with a low debt-to-equity ratio, enhancing financial stability. The company raised significant equity in recent years to fund capacity expansion, maintaining strong liquidity despite rising interest expenses in Q4 FY25 (₹51.32 million).

**5. Cash Flow Improvement:** Operating cash flow (OCF) improved to ₹1000.91 million in FY25 from -₹164.58

million in FY24, indicating better cash conversion and financial health.

### Strategic drivers

Aether's financial success is supported by its diversified customer base, serving over 34 global and 154 domestic companies, and its leadership in niche products like 4MEP and T2E. The company's pivot toward contract manufacturing, expected to contribute over 70% of revenue, aligns with high-margin opportunities with global MNCs like Baker Hughes and SEQENS. Investments in R&D (7-7.4% of revenue) and modern facilities in Surat further bolster its growth outlook.

Aether Industries Limited's strong and consistent financial performance, characterized by robust revenue growth, high profitability, and a solid balance sheet, positions it as a resilient player in the specialty chemicals sector. Despite challenges like a past fire incident, the company's strategic focus on high-value contracts and innovation ensures sustained growth and financial stability.

### Experienced Promoters and Senior Management with extensive domain knowledge

Our leadership comprises our Promoters: Managing Director Ashwin Jayantilal Desai, and Executive Directors Purnima Ashwin Desai, Rohan Ashwin Desai, and Dr. Aman Ashwin Desai, who collectively bring over 125 years of expertise in the chemical industry. Each Promoter is actively engaged in key areas such as R&D, process and plant engineering, finance, and marketing, and they oversee daily operations.

Additionally benefit from the industry experience of Kamalvijay Ramchandra Tulsian, Non-Executive Director, Chairman of our Board, bringing experience in the chemicals business; Jeevan Lal Nagori, Non-Executive Independent Director, bringing experience in



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the pharmaceutical business; Arun Brijmohan Kanodiya (qualified Chartered Accountant), Non-Executive Independent Director; Leja Satish Hattiangadi, Non-Executive Independent Director, bringing experience in project implementation; Ishita Surendra Manjrekar, Non-Executive Director bringing extensive knowledge about construction and related chemical industries; Dr. Amol Arvindrao Kulkarni, Non-Executive Independent Director, bringing extensive knowledge about continuous reaction technologies; Rajkumar Mangilal Borana, Non-Executive Independent Director; and Jitendra Popatlal Vakharia, Non-Executive Independent Director, bringing their experience in textile industry and chemical industry, respectively.

In February 2024, Dr. James (Jim) W. Ringer was appointed Chief Technology Officer, effective March 1, 2024. Dr. Ringer, who has been with Aether for three years as Business Development/Technology Leader (Americas), previously had a distinguished 30-year career at Dow Chemical Company and Corteva AgriScience, and holds 22 USA patents. Dr. James (Jim) W. Ringer is a dynamic leader recognized for creating innovation and personnel strategies. Demonstrated ability to generate significant value through building exceptional teamwork and organizational culture with strong personnel development, technical excellence, and project portfolio.

Our senior management team is also experienced in the chemicals industry. The majority of our management team have spent more than 5 years each with our Company. Our senior management personnel include career-technocrats such as Raymond Paul Roach and Dr. Norbert Flüggen.

Additionally, in June 2024, Dr. Ron Valente was appointed Business Development Leader (Speciality Polyols). Dr. Valente, with a PhD in Organic Chemistry from the University of Rochester, has over 20 years of

experience with Eastman Kodak, Novomer, Inc., and Saudi Aramco.

The depth and breadth of our directors, management team, and Promoters equip us to be a leading specialty chemical manufacturer in India. Their combined experience helps us navigate market trends, manage operations, and enhance customer relationships.

### Our (Aether Industries Limited’s) strengths

Our key business strategies are set forth below:

#### Leverage our strong position in the speciality chemicals industry to capitalize on industry opportunities

The global chemicals market is projected to grow at a CAGR of 6.2% from CY 2020 to CY 2025, while the Indian specialty chemicals market is expected to outpace it with a robust CAGR of 11.2%, according to Frost & Sullivan. This growth is fuelled by strong demand in key end-use segments such as pharmaceuticals, agrochemicals, and fertilizers, where consumption in India and other major global markets is rising significantly. For example, India’s agrochemicals and fertilizers sector is forecasted to expand from \$32.9 billion in CY 2020 to \$53.3 billion by CY 2025, and the pharmaceuticals specialty chemicals segment is projected to grow from \$16.6 billion to \$28.5 billion over the same period.

In contrast, China’s specialty chemicals sector has faced headwinds due to stringent environmental regulations, leading to plant closures and elevated operating costs. These challenges have increased production costs in China, creating a strategic opportunity for Indian manufacturers to capture a larger share of the global supply chain by offering cost-competitive alternatives.

Aether Industries Limited is well-positioned to capitalize on these market dynamics, leveraging its leadership in high-value specialty chemicals and advanced

intermediates. The company’s revenue growth for key products, such as 4MEP and T2E, has surpassed industry averages, reflecting its success in gaining market share, particularly from Chinese competitors. As of Q4 FY25, Aether reported a 104.36% year-on-year revenue increase to ₹240.19 Cr, driven by strong demand and strategic contract manufacturing partnerships with global leaders like Baker Hughes, Saudi Aramco, Novoloo and SEQENS.

To sustain this momentum, Aether is pursuing a multifaceted growth strategy, including:

- 1. New Product Development:** Introducing innovative, high-margin specialty chemicals to meet evolving market needs.
- 2. R&D Enhancement:** Investing 6–6.5% of revenue in R&D to drive process innovation and product differentiation.
- 3. Strategic Acquisitions:** Exploring opportunities to expand capabilities and market reach.
- 4. Capacity Expansion:** Commissioning new facilities, such as Site-4 for Baker Hughes, to scale production from kilograms to thousands of metric tonnes.
- 5. Global Expansion:** Strengthening international presence through advisors, participation in global events, and local representatives in key markets like Japan, Europe, and the US, which accounted for over 39.49% of FY25 revenue from operations.

Despite competitive pressures from Chinese manufacturers benefiting from government incentives and currency depreciation, Aether’s focus on high-growth sectors, sustainable solutions like CO<sub>2</sub>-based polyols, and operational excellence ensures its resilience. With a nearly debt-free balance sheet,

robust EBITDA margins of 22–32%, and a projected shift toward contract manufacturing contributing over 70% of revenue, Aether is poised to maintain its competitive edge and capitalize on the evolving global specialty chemicals landscape through CY 2025 and beyond.

### Expand Manufacturing, R&D and Pilot Plant Capacities

To address the growing demand from existing and new customers, we are expanding our manufacturing capacities across various sectors, including Pharma, Agro, Oil & Gas, Material Sciences, Renewables & Sustainability, and Electric Vehicles. We are also scaling up facilities for our new product lines currently under development and commercialization.

In January 2023, we began operations at a new facility at our third site near Sachin, which is dedicated to producing specialty chemicals and intermediates for pharmaceuticals, agrochemicals, and material sciences. This facility was utilized at approximately 60% capacity in Fiscal Year 2025.

In March 2024, we launched Manufacturing Facility 4 through our wholly owned subsidiary, Aether Speciality Chemicals Limited, which will provide a 7% income tax benefit. This facility is tailored to manufacture eight products under the Contract/Exclusive Manufacturing (C/E M) model for Baker Hughes.

Additionally, in Fiscal Year 2022, we acquired over 125,000 square meters of land at Panoli GIDC, Bharuch District, Gujarat for future expansion. We received regulatory approvals in Fiscal Year 2024 and have begun the first phase of development. We had also acquired additional land near Manufacturing Facility 3 for further expansion. completed in June 2023. Manufacturing Facility 3+/3++ is dedicated to Milliken Group and expected to be operational by the end of Fiscal Year 2026, with the first phase of Manufacturing Facility 5 scheduled to come online by the end Q3 of



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Fiscal Year 2026.

We have further, in Fiscal Year 2025, procured additional land adjacent to Manufacturing Facility 5, ad measuring 60,000 square meters, which now makes the entire Manufacturing Facility 5, a 46 acres land premise. This will be used for future expansion with lots of new customers and products expected to come in.

We are also forming strategic alliances with innovator companies across various end-user industries. These partnerships are anticipated to evolve from CRAMS projects into strategic commercial manufacturing ventures, potentially necessitating additional manufacturing capacity.

In Fiscal Year 2024, we expanded our R&D laboratories by increasing the number of fume hoods to 55, with new facilities dedicated to organic synthesis. Our R&D center has undergone a significant upgrade, including new laboratory furniture, HVAC systems, and a complete architectural redesign. It now features a library, scientist lounges, cafeteria, coffee house, modern offices, conference rooms, gymnasium, and outdoor meeting areas.

Furthermore, we have tripled the capacity of our Pilot Plant by installing additional pilot-scale equipment. The expanded plant includes state-of-the-art reaction technology, advanced instrumentation, engineering, and safety systems, all automated via a DCS platform. The facility now boasts 26 reactors ranging from 250 L to 4000 L, supported by 16 best-in-class utility equipment. A Siemens PCS7 DCS platform operates in a hot redundant configuration, with comprehensive fire safety measures including fire curtains, water sprinklers, foam monitors, and a robust pump and water reservoir system.

Further, the R&D and Pilot Plant facilities were on leased

lands, which we have outright purchased from the Director’s HUF and Director’s wife and now the lands are owned by the Company. We have also procured an adjacent plot of land, which now makes this R&D and Pilot Plant Unit (Manufacturing Facility 1), 10,500 square meter area.

## Continue to strengthen our presence in India and expand our sales and distribution network in international markets

As of March 31, 2025, our diverse product portfolio serves over 50 global clients across 19 countries and more than 220 domestic customers. We maintain enduring relationships with eight of our top ten clients for over five years, reflecting our status as a preferred supplier, particularly compared to our competitors primarily based in China. This longstanding client loyalty, evidenced by repeat and increased orders, underscores our competitive edge.

Our dedicated international sales and marketing team is pivotal in managing new orders, rate quotations, and understanding client needs. This team comprises seasoned industry professionals: Raymond Paul Roach (Business Development Leader – Americas), Dr. James Ringer (Chief Technology Officer), Dr. Norbert Flüggen (Business Development Leader – Europe), and Dr. Ron Valente (Business Development Leader – Speciality Polyols). Our business development and marketing efforts are strategically conducted across three continents—Asia/India, Europe/Germany, and North America/USA—ensuring robust market presence.

We are committed to enhancing our share of business with existing customers through strategic initiatives aimed at cross-selling our diverse product range. Additionally, we plan to leverage our established sales and marketing network and industry reputation to forge new relationships with multinational, regional, and local clients.

Our global expansion strategy focuses on serving current end-use clients and attracting new ones, thereby broadening our market reach. We are reinforcing our global presence by strengthening sales and marketing teams, particularly in North America, South America, and Europe. This includes increasing our stock points worldwide to ensure prompt product delivery and responsiveness to market demands.

## Continue to focus on contract manufacturing / exclusive manufacturing by developing innovative processes and value engineering

We aim to transform R&D (CRAMS) opportunities into large-scale contract manufacturing projects by leveraging our expertise in value engineering, innovative process development, and core competency chemistries. By offering unique value propositions, we seek to secure long-term contracts with customers that ensure consistent product off-take and improved margins, thereby enhancing our profitability. Our strategy involves differentiating our operations from other CRAMS providers by developing proprietary, innovative processes, which affords us better pricing leverage with clients.

We are committed to advancing in-house innovations for complex chemistries, including glove box chemistries, Nobel Prize-winning metathesis chemistry, and organo-silicon chemistry. Additionally, we continuously assess which of our existing products or processes can be further innovated to add value.

We also aim to deepen our existing customer relationships by undertaking CRAMS projects for new molecules. Our focus on value engineering allows us to extend our process and chemistry expertise into new value chains, replacing lower-value products with higher-value alternatives. By leveraging our established relationships and repeat orders, we intend to capitalize on significant cross-selling opportunities

for high-value products. Our strategy includes emphasizing early-stage process innovation and development to capture the complete lifecycle of these products, positioning ourselves as initial suppliers of specialized chemicals and strengthening our partnerships with multinational corporations.

## Growth through strategic acquisitions and alliances

We will look for strategic acquisition targets in the United States and the EU for R&D and manufacturing assets that are in line with our existing or desired competencies. We also will look for opportunities to acquire businesses to add additional chemistry or technology competencies (for example, photochemistry) or to add business segments where we are currently not present (for example, cytotoxic compounds, advanced silicone products or active pharmaceutical ingredients and formulations). We are focused on identifying acquisition targets that will benefit from our management expertise, our core competencies and the scale of our operations.

## Our Products and Services

Our business is structured around three distinct models: (i) Large-Scale Manufacturing (LSM) of our proprietary specialty chemicals and intermediates, (ii) Contract Research and Manufacturing Services (CRAMS), and (iii) Contract and Exclusive Manufacturing (C/E M).

## Speciality Chemicals and Intermediates

We specialize in specialty chemicals and advanced intermediates through a sophisticated integration of complex chemistry and technological core competencies. Our chemistry expertise encompasses areas such as Grignard reactions, organolithium and other organometallic chemistry, ethylene oxide and isobutylene chemistry, hydrogenation, catalysis (both homogeneous and heterogeneous), cross-coupling chemistry, and metathesis/polymerization chemistry.



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Our technological proficiencies include continuous reaction technology, high-pressure reaction technology, fixed-bed reaction technology, DCS process automation, and high-vacuum distillation technology (wiped film/short path).

By concentrating on these core competencies, we have crafted a sales vision oriented around chemistry and technology rather than specific products or industries. This approach not only differentiates us but also mitigates risks, as our strategy and R&D efforts are not confined to any particular product, customer, region, or industry.

Our product selection process is both simple and rigorous. We focus on products that align with our core competencies and meet several criteria: (i) the product should be infrastructure-oriented and belong to a specialty chemical field with a minimum of four synthetic steps; (ii) it should not be actively produced by any company in India; (iii) it should offer substantial revenue potential upon maturity; and (iv) we should be able to achieve a market-leading position at its maturity. Products that meet these criteria undergo R&D, are scaled up in our Pilot Plant, validated, and then commercialized.

As of March 31, 2025, our portfolio includes over 29 products, all developed and brought to market using these stringent criteria over the 11 years since our inception. Our advanced intermediates and specialty chemicals bridge the gap between commodity chemicals and final actives and formulations. They are utilized across various therapeutic areas in the pharmaceutical industry, including hypertension, anti-platelet, anti-psychotic, anti-histamine, and non-steroidal anti-inflammatory drugs (NSAIDs).

Additionally, our products serve multiple industries such as agrochemicals, material science, coatings, high-

performance photography, additives, renewables & sustainability and oil & gas.

### Customer segments

The table set forth below provides customer segment split of revenue from operations and as a percentage of revenue from operations in Fiscal Year 2025 and Fiscal Year 2024:

| Customer Segment            | Fiscal Year 2025 |         | Fiscal Year 2024 |         |
|-----------------------------|------------------|---------|------------------|---------|
|                             | ₹ MM             | % of    | ₹ MM             | % of    |
| Pharma                      | ₹3,824.53        | 45.60%  | ₹3,038.54        | 50.80%  |
| Agro                        | ₹1,775.32        | 21.17%  | ₹1,629.51        | 27.24%  |
| Material Sciences           | ₹959.51          | 11.44%  | ₹473.00          | 7.91%   |
| Multiple                    | ₹546.11          | 6.51%   | ₹208.14          | 3.48%   |
| Oil & Gas                   | ₹501.19          | 5.98%   | ₹93.07           | 1.56%   |
| Coatings                    | ₹313.30          | 3.74%   | ₹288.19          | 4.82%   |
| High Perf. Photography      | ₹279.68          | 3.33%   | ₹222.94          | 3.73%   |
| Food Additives              | ₹98.92           | 1.18%   | ₹28.33           | 0.47%   |
| Sustainability & Renewables | ₹88.33           | 1.05%   | ₹0.00            | 0.00%   |
| Total                       | ₹8,386.90        | 100.00% | ₹5,981.73        | 100.00% |

### Contract Research and Manufacturing Services (CRAMS)

Our facilities employ advanced technologies and systems such as:

- a. Contract research;
- b. Pilot scale-up services;
- c. Contract manufacturing;
- d. Full time equivalent (FTE) services, where one or more
- e. of our employees work full time on the project;
- f. Technology development; and
- g. Process development and optimisation

Our CRAMS customers work jointly with our scientists

and engineers, and we execute their projects in our R&D Facilities, analytical sciences laboratories, and our Pilot Plant. Molecules developed in our CRAMS business for our customers have the potential to convert into regular commercial supplies and become large scale manufacturing products for our Company. In Fiscal Year 2025, CRAMS accounted for 12.25% (13.82% in Fiscal Year 2024) of our revenue from operations.

### Contract Manufacturing / Exclusive Manufacturing

We also manufacture our customers products under a contractual supply agreement based model. These customer contracts are both short-term and long-term and involve both exclusive and non-exclusive arrangements. In the Fiscal Year 2025 and Fiscal Year 2024, revenues from our contract manufacturing business constituted 31.36% and 25.65%, respectively, of our revenue from operations.

### Our Customers

Our customer base comprises over 280 multinational, global, regional, and local companies. As of March 31, 2025, our products are supplied to more than 50 global customers across 19 countries and over 210 domestic customers. This diverse clientele includes a distinguished array of leading domestic and international multinational firms.

We maintain several supply contracts with durations ranging from three to five years, structured around formula-based pricing mechanisms. These contracts may be terminated either upon their expiration or through notice provided by the customer. Such terminations are typically negotiated mutually between us and our customers. Nevertheless, the termination of supply contracts could have potential adverse effects on our business, financial health, and operational outcomes.

For other customers, we rely on purchase orders to

manage the volume and terms of our product sales. These purchase orders often outline unit prices and delivery schedules. However, amendments or cancellations of these orders before finalization could disrupt our production schedules and impact inventory levels.

### Exports

We export our products to 19 countries, with notable markets including Italy, Spain, Germany, the United States, and the Netherlands, among others. In Fiscal Year 2025 and Fiscal Year 2024, export sales (excluding deemed exports) accounted for 43.42% and 41.76% of our revenue from operations, respectively. Our export revenues are predominantly in foreign currencies, primarily U.S. Dollars. Consequently, fluctuations in exchange rates can influence the reported value of our sales in Indian Rupees on our financial statements. Although we hedge a minimal portion of our net foreign exchange position, we remain susceptible to variations in exchange rates between the U.S. Dollar and the Indian Rupee.

### Geographic Split of Revenue from Operations

The table set forth below provides geographic split of revenue from operations and as a percentage of revenue from operations in the Fiscal Year 2025 and Fiscal Year 2024:

| Country      | Fiscal Year 2025 |        | Fiscal Year 2024 |        |
|--------------|------------------|--------|------------------|--------|
|              | ₹ MM             | % of   | ₹ MM             | % of   |
| India (incl. | ₹4,737.30        | 56.48% | ₹3,483.62        | 58.24% |
| India (SEZ)  | ₹337.61          | 4.03%  | ₹347.59          | 5.81%  |
| Mexico       | ₹880.07          | 10.49% | ₹57.53           | 0.96%  |
| USA          | ₹570.90          | 6.81%  | ₹342.98          | 5.73%  |
| Germany      | ₹530.38          | 6.32%  | ₹432.86          | 7.24%  |
| Spain        | ₹385.94          | 4.60%  | ₹232.41          | 3.89%  |
| Japan        | ₹198.84          | 2.37%  | ₹210.49          | 3.52%  |
| Italy        | ₹148.22          | 1.77%  | ₹644.75          | 10.78% |
| Switzerland  | ₹135.29          | 1.61%  | ₹6.56            | 0.11%  |



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| Country                  | Fiscal Year 2025 |         | Fiscal Year 2024 |         |
|--------------------------|------------------|---------|------------------|---------|
|                          | ₹ MM             | % of    | ₹ MM             | % of    |
| China                    | ₹133.15          | 1.59%   | ₹44.91           | 0.75%   |
| Netherlands              | ₹65.25           | 0.78%   | ₹55.76           | 0.93%   |
| UK                       | ₹53.48           | 0.64%   | ₹9.11            | 0.15%   |
| Czech Republic           | ₹50.48           | 0.60%   | ₹0.00            | 0.00%   |
| Central African Republic | ₹48.46           | 0.58%   | ₹0.00            | 0.00%   |
| Belgium                  | ₹27.75           | 0.33%   | ₹0.14            | 0.00%   |
| Israel                   | ₹27.55           | 0.33%   | ₹58.45           | 0.98%   |
| France                   | ₹21.80           | 0.26%   | ₹1.03            | 0.02%   |
| Sweden                   | ₹12.59           | 0.15%   | ₹12.76           | 0.21%   |
| Taiwan                   | ₹12.29           | 0.15%   | ₹4.00            | 0.07%   |
| Romania                  | ₹7.44            | 0.09%   | ₹14.94           | 0.25%   |
| Hungary                  | ₹2.11            | 0.03%   | ₹21.83           | 0.36%   |
| Total                    | ₹8,386.90        | 100.00% | ₹5,981.72        | 100.00% |

**Note**  
“Deemed Exports” refer to those transactions in which the goods supplied do not leave the country, and the payment for such supplies is received either in Indian rupees or in free foreign exchange. We have started business in one new country in Fiscal Year 2024, Hungary, which depicts the growth of Company’s business geographically.

### Automation

Our manufacturing facilities utilize DCS that use geographically distributed control loops throughout our facilities to control our systems and processes to increase their safety, cost-effectiveness and reliability. Our Pilot Plant and CRAMS operations use a Siemens PCS7 DCS and our manufacturing facilities use a Yokogawa Centum VP DCS.

### Manufacturing Process

Our facilities have been meticulously designed and developed around a chemistry and technology-centric model, where each product is strategically allocated to a specific production stream. This approach grants us the agility to switch from one product to another seamlessly, without any gestation period and with

minimal costs. The flexible design of our plants allows us to operate multiple streams within our intermediate product buildings, thereby mitigating contagion risks and ensuring consistent fulfilment of product demand.

All our manufacturing units are multipurpose plants with the capability to handle multiple streams, accommodating the broad range of products in our portfolio. We do not have dedicated plants or streams; instead, each stream is versatile enough to be utilized for various products, providing the flexibility to swiftly adapt the production mix in response to shifting demand. Every product is the outcome of a combination of specialized chemistries and processes tailored to achieve the desired results.

### Chemistries that we use

- Our products can be broadly classified under eight different chemistry bifurcations:
1. Grignards and Organolithiations
  2. Ethylene Oxide Chemistry / Tandem Grignard /
  3. Ethylene Oxide Isobutylene Chemistry
  4. Hydrogenation / catalysis chemistry
  5. Heterogeneous Catalysis
  6. Exothermic Chemistry
  7. Cross Coupling Chemistry
  8. Olefin Metathesis / Polymerisation

The raw materials are charged continuously / batch-wise in reactors of suitable capacity and design based on the type of reaction. Other technical parameters such as temperature, pressure and reaction time are maintained based on type of reaction to be carried out.

When the reaction is complete, the product is analyzed and subjected to further processing, which includes filtration, continuous/ batch distillations, purification processes to get the required quality product. The product is ultimately tested to ensure it meets the applicable specifications before it is supplied to the customer

### Research & Development (R&D)

The cornerstone of our company lies in our in-house research and development, a key driver of our success and a significant differentiator in achieving leading market positions for select products.

Over the years, our deep technical expertise has enabled us to execute innovative processes on a global scale, creating substantial barriers for potential competitors and making replication exceedingly difficult.

Our dedicated R&D facilities and Pilot Plant, located at Manufacturing Facility 1 in Sachin, are at the heart of our operations. Every one of our products has been meticulously developed by our in-house R&D team, scaled up in our Pilot Plant, and transitioned into production with in-house design and engineering. This independent innovation (without external R&D support) underscores our research capabilities. Our core competencies in chemistry include Grignards, organolithium and other organometallic chemistry, ethylene oxide and isobutylene chemistry, hydrogenation, catalysis (homogeneous/ heterogeneous), cross-coupling chemistry, and metathesis/polymerization chemistry. Our technology competencies encompass continuous reaction technology, high-pressure reaction technology, fixed-bed reaction technology, DCS process automation, and high vacuum distillation technology (wiped film/ short path).

Our R&D facilities are dedicated to both the development of our own pipeline and next-generation products, as well as serving our CRAMS clients. As of March 31, 2025, our specialized R&D team comprised 287 (March 31, 2024: 276) scientists and engineers, including 143 (March 31, 2024: 148) with PhDs or Master’s degrees, and 141 (March 31, 2024: 1228 chemical engineers. To further enhance our R&D capabilities, we

continuously recruit and appoint scientists with diverse experience and expertise, aligning with our strategy of early identification of development and manufacturing opportunities.

Our R&D laboratories are outfitted with modern synthesis equipment, including fume hoods, lab-scale continuous and flow reactors, and advanced separation tools. These labs are supported by state-of-the-art analytical method development (ADL) and quality control (QC) laboratories, equipped with essential instruments for advanced organic chemistry research, such as Liquid Chromatography Mass Spectrometry, Gas Chromatography Mass Spectrometry, and High-Pressure Liquid Chromatography, among others.

Our R&D facilities focus on process development, innovation, new chemical screening, and engineering, enabling us to drive efficiencies from the initial conceptualization to the commercialization of a product. Our R&D team has successfully executed multi-step synthesis and scale-up for several new molecules in specialty chemicals and intermediates, significantly expanding our commercialized product portfolio. In Fiscal Year 2023, we had tripled our R&D capacity by increasing the number of fume hoods to 55. We have recently procured an additional land adjacent to our current R&D and Pilot Plant Unit, along with the ownership taken of the current land bank of the R&D and Pilot Plant Unit. The additional land would be utilised for the expansion of the Research & Development unit, where in the number of Fume Hoods, will be approximately tripled.

We also maintain strong collaborations with numerous universities and research institutions across India, including the National Chemical Laboratory (NCL, Pune), the Institute of Chemical Technology (ICT, Mumbai), Uka Tarsadia University (UTU, Bardoli), and



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Sardar Vallabhbhai National Institute of Technology (SVNIT, Surat). Our sponsored PhD programs, conducted in partnership with these institutions, further strengthen our R&D capabilities.

Our R&D facilities are recognized by the Department of Scientific & Industrial Research (DSIR), New Delhi, for in-house R&D excellence.

In addition, we have expanded our R&D laboratories by adding more fume hoods, creating four new organic synthesis labs on a separate floor, fully equipped with modern amenities. The architectural and interior design of our R&D facilities has undergone a complete transformation, evolving into a world-class center featuring a library, scientist lounges, a cafeteria, a coffee house for scientists, modern offices, conference rooms, a gymnasium, and outdoor meeting areas. As part of this expansion, we have recruited additional R&D scientists and engineers, focusing on those with PhDs or Master's degrees.

### Pilot Plant

We have a state-of-art Pilot Plant, which is a vital link between R&D and large scale production. Our Pilot Plant has a dual functionality; it functions to generate critical scale-up data in the transition from R&D to production to help eliminate issues at full production scale; and it also functions as a stand-alone manufacturing facility for low volume, high value products for our CRAMS customers. Our Pilot Plant encompasses a wide range of reactor and downstream equipment, in both continuous and batch regimes, across the entire range of scale-up volumes, metallurgy, and process parameters and is automated through DCS process automation. We have tripled our Pilot Plant facility in the Fiscal Year 2023, by increasing the number of reactors.

Furthermore, our Pilot Plant has been significantly expanded with the installation of additional pilot-scale

equipment, tripling its current capacity. The upgraded plant features cutting-edge reaction technology in both batch and continuous regimes, world-class instrumentation, engineering and safety systems, all fully automated with DCS process automation.

### Upcoming expansions

In March 2024, the Manufacturing Facility 4 has been commissioned and production started in our 100% Wholly Owned Subsidiary – Aether Speciality Chemicals Limited, which will help us save Income Tax by 7% (basic rate). This facility is currently equipped specifically for 6 Products to be manufactured under Contract / Exclusive Manufacturing (C/E M) model for Baker Hughes.

We have also in Fiscal Year 2022, procured plot of land at Panoli GIDC, Bharuch District, Gujarat, which is approximately 1,25,000 plus Sq. Mtrs. and will be utilised for future expansion by the Company. During the Fiscal Year 2024, we have received the regulatory and other approvals for the expansion of this site and first phase work has started. We have in Fiscal Year 2025, procured one more plot of land, adjacent to the Manufacturing Facility 5, making it a 46 acres land all plots of lands put together. The first phase expansion of the Manufacturing Facility 5, has been started from July 2023, where in the total cost of the first phase is estimated to be ₹500 Crores. The first two production blocks, some common utilities and raw material warehouse is expected to be operational by end of Q3 of Fiscal Year 2025 and then on every six months, we expect, two production blocks to be commissioned.

We have also procured extra lands near the Manufacturing Facility 3, which we term as 3+/3++ and the same will be used for the expansion at Manufacturing Facility 3.

The Manufacturing Facility 3+/3++ is expected to be online and working by end of Fiscal Year 2026 and it is

dedicated to a marque customer, Milliken for their next generation of products, where in Aether Industries shall be the sole manufacturer of their product, for 10 years, contract signed.

### Raw Material

The raw materials utilized in our manufacturing processes are predominantly sourced from third-party suppliers both globally and within India.

In Fiscal Year 2025, our cost of goods sold (which includes the cost of materials consumed and changes in inventories of finished goods and work-in-progress) amounted to ₹4,465.84 MM (Fiscal Year 2024: ₹3,209.17 MM), with the cost of materials consumed representing 60.48% of our revenue from operations (Fiscal Year 2024: 63.09%). Our raw materials encompass crude oil derivatives such as phenol, as well as other essential commodities including hydrogen, ethylene oxide, and isobutylene gas. Key raw materials also include chlorobenzonitrile, methanol, toluene, methylene dichloride, tetrahydrofuran, dichlorotoluene, and thiophene, among others.

The pricing of our raw materials is generally based on or linked to international market prices, and fluctuations are typically passed on to our customers. We do not typically engage in long-term supply contracts with our raw material suppliers; instead, we source these materials through shorter-term contracts or from the open market. The prices of our key raw materials have been volatile on a global scale, and increases in these prices directly impact our production costs.

During Fiscal Year 2025, we observed that the raw material prices, have been more or less the stagnant and not much of reduction or increase is noticed.

### Inventory Management

Our finished products are stored on-site at our manufacturing facilities, while raw materials are housed in nearby warehouses procured by the Company on leased premises. Ready-to-use raw materials for production are stored in on-site warehouses. To mitigate the risk of raw material price fluctuations, we typically maintain at least five months of inventory across raw materials, work-in-progress, and recoveries. Specifically, we hold 15 to 30 days of inventory in Work-in-Progress (semi-finished goods), and we maintain minimal inventory of finished goods due to the demand-driven nature of our production process. We usually manufacture finished goods based on orders received, ensuring that they are not held in inventory for more than a week.

We employ a lead-time material requirement planning system and utilize ERP software to manage our inventory levels in real-time. As of March 31, 2024, our inventory in work-in-progress had increased to over 210 days due to the fire accident at Manufacturing Facility 2, which led to its closure for several months. Partial operations resumed in January 2024, and production restarted in February 2024, leading to an increase in work-in-progress as we prioritized manufacturing key products. We have been able to bring down the inventory levels to 173 days as on March 31, 2025, which was 210 days as on March 31, 2024. We further are inclined to manage the same in more efficient way to reduce the days of inventory more.

### Sales and Marketing

Our business primarily operates on a business-to-business model, with a strong emphasis on maintaining continuous engagement with customers and ensuring timely deliveries. Additionally, we have an exclusive distributor for the Telangana region of India. Our sales, marketing, and business development teams are dedicated to securing new orders, providing



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accurate pricing, and thoroughly understanding customer needs. These teams are led by industry veterans, including Dr. James Ringer (Chief Technology Officer), Raymond Paul Roach (Business Development Leader – Americas), and Dr. Norbert Flüggen (Business Development Leader – Europe).

We actively participate in prominent trade shows and exhibitions, such as CPHI in India, Europe, Japan, China, and the USA; Chemical Outsourcing in the USA; and Chemspec in India and Europe. Furthermore, our sales team members are frequently invited to speak at various industry forums, showcasing our expertise and thought leadership.

To better serve our existing direct end-use customers, acquire new ones, and extend our product reach into new markets, we are pursuing a global expansion strategy. This includes the establishment of dedicated teams focused on business development in key international markets, particularly in Europe and the Americas.

Our strategic priorities include increasing the number of global stock points and strengthening our sales teams in India, the Americas, and Europe to ensure timely product delivery and enhanced customer service.

### Information Technology

Our IT systems are critical to the seamless operation of our business, and we have implemented comprehensive IT policies to support our operations effectively. Our IT team's primary responsibilities include establishing and maintaining enterprise information systems, delivering infrastructure services to meet our business needs, and ensuring the security of our enterprise operations.

We leverage SAP, an enterprise resource planning (ERP) solution, which supports a wide array of business

functions, including sales distribution, materials management, warehouse management, production planning, quality management, plant maintenance, finance and controlling, environment, health and safety, and human resources across all our offices, R&D facilities, and manufacturing plants.

Our information security strategy is focused on protecting data and assuring our customers of the security of their intellectual property (IP). To this end, we have implemented a robust data management facility, access restriction systems, and other advanced security measures.

We are committed to maintaining confidentiality, ensuring the integrity and availability of all physical and electronic information assets across our facilities, and meeting legal, regulatory, and operational requirements.

We believe our disaster recovery, business continuity, and backup policies are strong and effective. We employ a VMware Virtualisation System in redundant mode, with centralized storage and thin client systems, alongside a redundant firewall. All users access our systems exclusively through VPN, and for data security, we utilize a Remote Desktop Protocol (RDP) system with thin clients.

In Fiscal Year 2024, we initiated the implementation of SAP S/4HANA, an advanced version of our current SAP-BI system. We anticipate this new system will go live in the second half of FY26, enhancing our day-to-day operations and facilitating the integration of various departmental workflows.

### Risk Management

We believe that risk management is an integral part of our operations. We believe that it is essential to identify and manage risks in order to reduce uncertainties and

ensure continuity of business. We have a risk management framework and risk management team that implements the processes specified in the framework.

We aim to provide a high degree of safety to our employees, especially at our factories where chemical processes are executed. We undertake regular inspection of our machineries and also undertake periodic maintenance checks on other equipment in order to ensure they meet safety requirements.

### Insurance

We maintain comprehensive insurance coverage that we deem essential for the protection of our business operations. Our insurance portfolio includes a policy that provides coverage against material damage to buildings, facilities, machinery, furniture, fixtures, fittings, stocks, and machinery breakdown. Additionally, we hold a cargo insurance policy that covers consignments of goods during transit by sea, air, and courier services, extending until delivery to the customer's warehouse, as well as inland bulk cargo movement via road tanker.

Moreover, we maintain a commercial general liability insurance policy that safeguards against liabilities arising from bodily injury (including medical payments), property damage, and personal and advertising injury claims. To address specific IT and system-related risks, we have secured a cyber insurance policy. We also offer our employees COVID-19 insurance, covering pre- and post-hospitalization expenses and emergency road ambulance costs. For our Directors and Senior Management, we have a Directors' and Officers' liability insurance policy, and for our employees, we provide Group Medical Insurance, Group Term Insurance, and Group Personal Accident coverage.

During Fiscal Year 2024, a fire incident occurred at our Manufacturing Facility 2, resulting in the complete destruction of Plant 2 and its Tank Farms, as well as minor damage to Plant 1 and other parts of the facility.

The damages sustained to plants, machinery, equipment, furniture, stocks, and the resulting loss of profit are comprehensively covered under our Industrial All Risk (IAR) Insurance Policy. We have submitted a total claim of approximately ₹1,000 MM, which has been accepted by our insurer, IFFCO Tokio General Insurance Company. During the Fiscal Year 2025, we have received ₹210 MM as on account payment from the Insurance Company towards the loss of assets and ₹130 MM approximately towards the loss of stocks. The assessment for the Business Interruption (FLOP) is under process as on March 31, 2025 and we are hopeful that the FLOP and remaining claim for the loss of assets would be cleared and received by us in Fiscal Year 2026.

### Competition

The speciality chemicals industry presents significant entry barriers, including customer validation and approvals, expectation from customers for process innovation and cost reduction, high quality standards and stringent specifications. Our competition varies by market, geographic areas and type of product. As a result, to remain competitive in our markets, we must continuously strive to reduce our costs of production, transportation and distribution and improve our operating efficiencies. We face competition primarily from international manufacturers especially Chinese companies. We compete primarily on the basis of product quality, technology, cost, delivery and service, as well as quality and depth of senior level relationships.

### Human Resources

We place significant emphasis on the development of our human resources. As of March 31, 2025, our workforce comprised 987 employees (excluding trainees), compared to 954 as of March 31, 2024, along with 224 contract workers and trainees. The strategic



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blend of full-time employees and contract personnel allows us the flexibility to operate our business efficiently. During Fiscal Year 2025, our attrition rate was 1.57%. In contrast, our attrition rate in Fiscal Year 2024: 3.97%, primarily influenced by the fire incident at Manufacturing Facility 2, which led to the departure of several employees. The average age of our workforce as of March 31, 2025, was 29 years.

As of the same date, we employed 145 scientists holding either a PhD or Master of Science degree (constituting 14.69% of our workforce). Additionally, we had 141 chemical engineers, representing 14.29% of our workforce, as of March 31, 2023.

Our employees are not affiliated with any unions, and we have not encountered any significant work stoppages due to labor disputes or cessation of work over the past three years.

Our workforce plays a pivotal role in maintaining our standards of quality, productivity, and safety, which in turn bolsters our competitive advantage. The following table provides details of our employee count as of March 31, 2025:

| Departments /Teams                                               | Fiscal Year |
|------------------------------------------------------------------|-------------|
| Management and administration                                    | 4           |
| Human Resource (HR) & Admin                                      | 33          |
| Computer Information System (CIS)                                | 14          |
| Finance & Accounts                                               | 14          |
| Logistics & EXIM                                                 | 14          |
| Procurement                                                      | 4           |
| Sales & Business Development                                     | 5           |
| Stores / Warehouse                                               | 63          |
| Quality Control / Analytical Lab / Quality Assurance (CQ/ADL/QA) | 68          |
| Research & Development (R&D)                                     | 113         |
| Control & Instrumentation (C&I)                                  | 39          |
| Environment Health & Safety (EHS)                                | 47          |

| Departments /Teams       | Fiscal Year |
|--------------------------|-------------|
| Effluent Treatment (ETP) | 53          |
| Maintenance              | 140         |
| Electrical               | 48          |
| Production               | 311         |
| Process & Project        | 11          |
| Creative Team            | 6           |
| Total                    | 987.00      |

Our goal is to cultivate a culture grounded in fairness and respect, ensuring adherence to our Code of Conduct while safeguarding employees against discrimination, harassment, and retaliation. We are committed to regularly evaluating and enhancing our human resource initiatives to make them more inclusive, engaging, and focused on skill development. We place a strong emphasis on fostering and maintaining a superior organizational climate centered on human performance. Additionally, we provide our employees with a broad array of training opportunities and have established a comprehensive learning and development policy to support these training initiatives.

**Intellectual Property**

We have applied for various trademark registration for our corporate logo under various classes of the Trademark Act, 1999, and Trade Rules, 2002, before the Registrar of Trademarks. The application has been made in the name of the Company. We also have registered the domain names aether.co.in, which is renewable periodically. We also rely on a combination of trade secret, and copyright law and contractual restrictions to protect We do not own any patents. We have agreements with our employees and consultants which include confidentiality provisions and provisions on ownership of intellectual property developed during employment or specific assignments, as applicable.

We have applied for various trademarks, copyrights for

our logo, trade name, and punch line, wherein 46 of such trademarks are already approved.

**Awards and recognition**

Our Company has received the following key awards, accreditation and recognition:

| Year | Certifications / Accreditations / Awards                                                                              |
|------|-----------------------------------------------------------------------------------------------------------------------|
| 2015 | Awarded with ISO 9001:2015 (Manufacturing Facility 1 – Hojiwala Unit)                                                 |
| 2017 | Awarded with ISO 9001:2015                                                                                            |
| 2017 | Awarded with GMP – (ICH Q7 Revision 1)                                                                                |
| 2018 | Awarded with ISO 14001:2015                                                                                           |
| 2021 | Awarded with ISO 27001:2013                                                                                           |
| 2021 | Awarded with ISO 45001:2018                                                                                           |
| 2022 | Silver rating from EcoVadis (Sustainability Rating)                                                                   |
| 2022 | Membership to UN Global Compact (Network India)                                                                       |
| 2023 | Membership of Indian Chemical Council (ICC)                                                                           |
| 2024 | Award from Dun & Bradstreet / SBI Business Enterprise of tomorrow for Champions of the Year under Atmanirbhar Abhiyan |
| 2024 | Award from Dun & Bradstreet / SBI Business Enterprise of tomorrow for Chemicals & Pharma (Mid-Corporate)              |
| 2024 | Awarded with ISO 9001: 2015 – 8202 site                                                                               |
| 2024 | Awarded with ISO 14001:2015 & ISO 45001 : 2018 – Hojiwala site                                                        |
| 2025 | Best Place to Work                                                                                                    |

**Principal Factors affecting our Results of Operations**

Our financial performance and results of operations are influenced by a variety of factors, including without limitation, global and domestic competition, conditions in the markets of our end-user products, general economic conditions, changes in costs of raw materials and government regulations and policies.

**Raw materials price fluctuations and availability**

Our cost of goods sold, which encompasses the cost of materials consumed and changes in inventories of finished goods and work-in-progress, constitutes a significant portion of our operating expenses. In Fiscal Year 2025, our cost of goods sold amounted to ₹4,465.84 MM (Fiscal Year 2024: ₹3,209.17 MM), representing 53.25% of our revenue from operations (Fiscal Year 2023: 53.65%). We primarily procure raw materials from third-party suppliers, including imports. These materials include crude oil derivatives, such as phenol, and other key commodities like hydrogen, ethylene oxide, and isobutylene gas. Additional critical raw materials include chlorobenzonitrile, methanol, toluene, methylene dichloride, tetrahydrofuran, dichlorotoluene, and thiophene, among others.

Typically, we do not engage in long-term supply contracts with our raw material suppliers; instead, we source materials through shorter-term contracts or on the open market. The prices of our key raw materials are generally linked to international markets and have exhibited volatility, which can impact our production costs. While fluctuations in crude oil prices may influence our revenues, our profitability tends to be less affected as these price variations are usually passed on to our customers.

In Fiscal Year 2025, our cost of materials as a percentage of revenue from operations reduced very marginally, primarily due to reduced raw material prices.

**Foreign exchange rate risk**

Our financial statements are prepared in Indian Rupees. However, a significant portion of our revenue from exports and raw material expenditures are denominated in foreign currencies, predominantly the U.S. Dollar. As a result, we are exposed to currency fluctuations related to transactions in currencies other



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than Indian Rupees, especially the U.S. Dollar.

In Fiscal Year 2025, 43.42% of our revenue from operations was derived from exports (excluding Deemed Exports), compared to 41.76% in Fiscal Year 2024. Our net foreign currency-denominated sales (calculated as sales in foreign currency minus expenses related to these sales, excluding Deemed Exports) totalled ₹2,367.19 MM in Fiscal Year 2025, down from ₹2,498.16 MM in the previous fiscal year. Additionally, 9.97% of our raw materials were imported in Fiscal Year 2025, a decrease from 24.57% in Fiscal Year 2024. This reduction is largely due to a strategic buildup of inventory in response to falling international prices and increased availability of raw materials domestically.

Exchange rate fluctuations also impact our ability to meet debt obligations denominated in foreign currencies, such as our Packing Credit Loans in Foreign Currencies. We do not engage in hedging activities to mitigate our foreign currency exposure. Consequently, we are subject to fluctuations in exchange rates among the U.S. Dollar, Indian Rupee, and other currencies. In Fiscal Year 2025, we recorded a gain of ₹38.29 MM from these currency fluctuations, compared to ₹35.45 MM in Fiscal Year 2024.

### Capital expenditure

We require substantial capital for the upkeep and expansion of our facilities. In Fiscal Year 2025, our capital expenditure was ₹4,147.84 MM, compared to ₹3,304.35 MM in Fiscal Year 2025. This expenditure focused on constructing and enhancing manufacturing facilities and diversifying our product range.

As of March 31, 2025, our operations span over four sites in India: Manufacturing Facility 1 (7,000 square meters) for R&D, Pilot Plant and other activities; Manufacturing Facility 2 (10,500 square meters) with a production capacity of 6,096 MTPA and a solvent recovery plant;

Manufacturing Facility 3 (5,250 square meters) for the few new products which were launched in January 2023; and Manufacturing Facility 4, was commissioned for contract manufacturing for Baker Hughes, under our wholly owned subsidiary (Aether Speciality Chemicals Limited) in March 2024.

Moreover, we acquired over 125,000 sq. m in Panoli GIDC for future expansion and have begun the first phase of development. We anticipate Manufacturing Facility 3+ / 3++ will be operational by the end of Fiscal Year 2026, which is dedicated for contract manufacturing for Milliken Chemical and Textile (India) Co. Private Limited, a wholly owned subsidiary of USA headquartered Milliken & Company (Milliken) and Manufacturing Facility 5's first phase (two production blocks) expected to be commissioned by the end of Q3 of Fiscal Year 2026.

### Dependence of demand from pharmaceutical and agrochemical industries

As of March 31, 2024 we had over twenty-nine (29) commercial products including twenty (26) pharmaceutical, one (1) coating and two (2) agrochemical intermediates and specialty chemicals. Our products find applications across a number of therapeutic segments in the pharmaceuticals industry, including hypertension, anti-platelet, anti-psychotic, anti-histamine and non-steroidal anti-inflammatory drugs ("NSAIDs"). We also have products across other customer segments, such as agrochemicals, material science, coatings, multiple-use, high performance photography, food additives and oil and gas. In the Fiscal Year 2025, revenues from our pharmaceutical products were ₹3,824.53 MM (Fiscal Year 2024: ₹3,038.54 MM), which represented 45.60% (Fiscal Year 2024: 50.80%) of our operating revenue; and revenues from agrochemical products were ₹1,775.32 MM (Fiscal Year 2024: ₹1,629.51 MM), which represented 21.17% (Fiscal Year 2024: 27.24%), of our revenue from operations.

Consequently, our revenues are dependent on the pharmaceutical and agrochemical industries that use our products as an input. We have other segments, which have shown an upward trend in Fiscal Year 2025, which include increase in the business segments like Material Science from 7.91% in Fiscal Year 2024 to 11.44% in Fiscal Year 2025, Oil & Gas from 1.56% in Fiscal Year 2024 to 5.98% in Fiscal Year 2025 and Sustainability & Renewables from 0.00% in Fiscal Year 2024 to 1.05% in Fiscal Year 2025. This also shows that we are evolving with various other new business segments and which will be good revenue potentials, also for the future growth of the Company.

### Reliance on major customers and relatively few products

Our customer base includes numerous multinational and domestic companies. In Fiscal Year 2025, our largest customer contributed approximately 10.00% of revenue from operations (down from 13.42% in Fiscal Year 2024). Our top 10 customers accounted for about 45.86% of revenue our revenue from operations (compared to 50.62% in Fiscal Year 2024), while our top 20 customers contributed 58.77% (down from 64.78% in Fiscal Year 2024). This indicates a reduced dependence on major customers and an expanded client base.

For Fiscal Year 2025, our top five specialty chemical products (BFA, 4MEP, T2E, 10MISB, and IDB) represented 43.69% of our revenue from operations, showing a decline from 42.96% in the previous fiscal year, reflecting a broader product portfolio. We maintain several supply contracts, ranging from one to five years, primarily with multinational clients for our CRAMS and contract manufacturing services.

### Competition

Our products are used in end-user industries, such as pharmaceuticals, agrochemicals, amongst other

industries. The broad-spectrum application of our products in the chemical industry is for advanced intermediates and significantly higher value specialty chemicals, which we believe is a unique position in the Indian chemical industry.

Moreover, whatever new products that we are developing in our R&D Facility are also such products which will be the first of its kind in India and we would be dominating the Indian market with the new products as well.

### Costs of power and fuel

Power and fuel are essential for the uninterrupted operation of our manufacturing facilities. In Fiscal Year 2025, electricity charges represented 2.05% of our revenue from operations (down from 2.26% in Fiscal Year 2024). Overall power and fuel costs, including gas, steam, and diesel, accounted for 2.80% of revenue from operations (a decrease from 4.49% in Fiscal Year 2025).

Between Fiscal Year 2024 and Fiscal Year 2025: Steam charges decreased from ₹202.04 MM to ₹159.85 MM, driven by lower coal and crude oil prices.

Electricity expenses increased from ₹135.11 MM to ₹172.01 MM, largely due to commissioning of Manufacturing Facility 4 in our wholly owned subsidiary, Aether Speciality Chemicals Limited.

### Non-GAAP Financial Measures

Alongside our results prepared in accordance with Ind AS, we believe that the following non-GAAP measures provide valuable insights for assessing our performance and for investor evaluation: EBITDA, EBITDA Margin, PAT Margin, ROE, Capital Employed, ROCE, Debt, Net Debt, Debt-Equity Ratio, Net Debt-EBITDA Ratio, Net Worth, Return on Net Worth, Net Asset Value per Equity Share, Pre-Tax Operating Profit, Net



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Tangible Assets, Monetary Assets, and the percentage of Monetary Assets to Net Tangible Assets. These non-GAAP metrics are used internally for ongoing operational assessment, planning, and forecasting.

We believe that non-GAAP financial information, when considered alongside Ind AS-compliant measures, offers additional tools for investors to evaluate our operating results, trends, and for comparative analysis within our industry. They provide consistency and comparability with historical performance. However, our management does not view these non-GAAP measures in isolation or as substitutes for Ind AS financial measures.

It is important to note that non-GAAP financial information is supplementary and has limitations as an analytical tool. It should not be considered in isolation or as a replacement for financial information prepared under Ind AS. These measures are not recognized under Ind AS and lack standardized definitions, which may vary from those used by other companies. The main limitation of these non-GAAP measures is their exclusion of significant expenses and income required by Ind AS to be recorded in our financial statements. Moreover, they reflect management’s judgment regarding which items are included or excluded. Reconciliations of non-GAAP measures to their closest Ind AS-compliant counterparts are provided below. Investors are encouraged to review these reconciliations and not rely solely on any single financial measure for evaluating our business.

| Particulars                                      | As at, or for the year |            |
|--------------------------------------------------|------------------------|------------|
| In ₹ MM                                          | 2025                   | 2024       |
| EBITDA (1)                                       | ₹2,292.90              | ₹1,184.87  |
| EBITDA Margin (2)                                | 27.34%                 | 19.81%     |
| PAT Margin (3)                                   | 18.00%                 | 12.94%     |
| ROE (4)                                          | 7.12%                  | 4.00%      |
| Capital Employed (5)                             | ₹21,686.40             | ₹16,762.88 |
| ROCE (6)                                         | 8.50%                  | 4.70%      |
| Debt (7)                                         | ₹1,825.29              | ₹1,686.18  |
| Net Debt (8)                                     | ₹1,785.59              | -₹2,182.33 |
| Debt – Equity Ratio (9)                          | 0.08                   | 0.08       |
| Net Debt-EBITDA Ratio (10)                       | 0.08                   | -0.11      |
| Net Tangible Assets (11)                         | ₹20,445.82             | ₹18,969.87 |
| Monetary Assets (12)                             | ₹173.71                | ₹53.66     |
| % of Monetary Assets to Net Tangible Assets (13) | 0.85%                  | 0.28%      |
| Net Worth (14)                                   | ₹22,258.86             | ₹20,633.24 |
| Return on Net Worth (15)                         | 7.12%                  | 4.00%      |
| Pre-Tax Operating Profit (16)                    | ₹1,842.75              | ₹788.22    |
| Net Asset Value per Equity Share (17)            | ₹167.91                | ₹157.82    |

- Notes**
- EBITDA is calculated as the sum of (i) profit before tax and prior period items for the period/year, (ii) depreciation and amortization expenses, and (iii) finance costs less (iv) other income.
  - EBITDA Margin is calculated as EBITDA divided by revenue from operations.
  - PAT Margin is calculated as profit for the period/year divided by total income.
  - ROE is calculated as profit for the period/year divided by total equity.
  - Capital Employed is calculated as total equity, plus non-current borrowings, plus current borrowings, less current investments, less cash & cash equivalents, less bank balances other than cash & cash equivalents.
  - ROCE is calculated as earnings before interest and taxes divided by Capital Employed.
  - Debt is calculated as the sum of current borrowings and non-current borrowings.
  - Net Debt is calculated as total liabilities less cash & cash equivalents and bank balances.
  - Debt-Equity Ratio is calculated as Debt divided by total equity.
  - Net Debt-EBITDA Ratio is calculated as Net Debt divided by EBITDA.
  - Net Tangible Assets is calculated as the sum of all the assets of our Company excluding, right of use assets and other intangible assets as reduced by total liabilities of our Company.

- Monetary Assets is calculated as cash and cash equivalents and bank balances and excluding bank deposits with remaining maturity of more than twelve months and fixed deposits held as margin money.
- Percentage of Monetary Assets to Net Tangible Assets is calculated as Monetary Assets divided by Net Tangible Assets, expressed as a percentage..
- Net Worth is calculated as the aggregate value of the paid-up share capital and all reserves created out of the profits (inclusive of net gain consequent to fair valuation of certain assets on transition to Ind AS) and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.
- Return on Net Worth is calculated as profit for the period/year divided by Net Worth.
- Pre-Tax Operating Profit is calculated as profit before tax and prior period items for the period/year, excluding other income, finance costs and other comprehensive income.
- Net Asset Value per Equity Share is calculated as Net Worth divided by the weighted average number of equity shares for the period/year as adjusted for bonus issue. Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year/period adjusted by the number of equity shares issued during the year/period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year/period.

**EBITDA, EBITDA Margin, PAT Margin and ROE**

The following table sets forth our EBITDA, EBITDA Margin, PAT Margin and ROE, in each of the Fiscal Year 2025 and Fiscal Year 2024

| Particulars                                     | For the year ended March 31, |           |
|-------------------------------------------------|------------------------------|-----------|
| In ₹ MM                                         | 2025                         | 2024      |
| Total income (A)                                | ₹8,803.31                    | ₹6,373.80 |
| Revenue from operations (B)                     | ₹8,386.90                    | ₹5,981.72 |
| Profit before tax and prior period items (C)    | ₹2,129.84                    | ₹1,095.12 |
| Add: Finance costs (D)                          | ₹129.33                      | ₹85.17    |
| Add: Depreciation and amortization expenses (E) | ₹450.14                      | ₹396.65   |
| Less: Other income (F)                          | ₹416.42                      | ₹392.07   |
| EBITDA (G=C+D+E-F)                              | ₹2,292.90                    | ₹1,184.87 |

| Particulars                  | For the year ended March 31, |            |
|------------------------------|------------------------------|------------|
| In ₹ MM                      | 2025                         | 2024       |
| EBITDA Margin (H=G/B)        | 27.34%                       | 19.81%     |
| Profit for the period (I)    | ₹1,584.18                    | ₹824.90    |
| Total equity (J)             | ₹22,258.86                   | ₹20,633.24 |
| PAT Margin (I/A)             | 18.00%                       | 12.94%     |
| Return on Equity – ROE (I/J) | 7.12%                        | 4.00%      |

**Capital Employed and Return on Capital Employed (ROCE)**

The following table sets forth our Capital Employed and Return on Capital Employed (ROCE), including a reconciliation of ROCE to our profits/losses before tax and prior period items in each of the Fiscal Year 2025 and Fiscal Year 2024

| Particulars                                         | As at, or for the year ended March 31, |            |
|-----------------------------------------------------|----------------------------------------|------------|
| In ₹ MM                                             | 2025                                   | 2024       |
| Profit before tax and prior period items (A)        | ₹2,129.84                              | ₹1,095.12  |
| Add: Finance costs (B)                              | ₹129.33                                | ₹85.17     |
| Less: Other income (C)                              | ₹416.42                                | ₹392.07    |
| EBIT (D=A+B-C)                                      | ₹1,842.75                              | ₹788.22    |
| Total equity (E)                                    | ₹22,258.86                             | ₹20,633.24 |
| Non-current borrowings (F)                          | ₹0.00                                  | ₹0.00      |
| Current borrowings (G)                              | ₹1,825.29                              | ₹1,686.18  |
| Current investments (H)                             | ₹0.00                                  | ₹0.00      |
| Cash & cash equivalents (I)                         | ₹173.71                                | ₹53.66     |
| Bank balance other than cash & cash equivalents (J) | ₹2,224.04                              | ₹5,502.88  |
| Capital Employed (K=E+F+G-H-I-J)                    | ₹21,686.40                             | ₹16,762.88 |
| ROCE (L=D/K)                                        | 8.50%                                  | 4.70%      |

**Debt, Net Debt, Debt-Equity Ratio and Net Debt-EBITDA Ratio**

The following table sets forth our Debt, Net Debt, Debt-



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Equity Ratio and Net Debt-EBITDA Ratio as at March 31, 2025 and March 31, 2024

| Particulars                                           | As at, or for the year ended March 31, |            |
|-------------------------------------------------------|----------------------------------------|------------|
| In ₹ MM                                               | 2025                                   | 2024       |
| Non-current borrowings (A)                            | ₹0.00                                  | ₹0.00      |
| Current borrowings (B)                                | ₹1,825.29                              | ₹1,686.18  |
| Debt (C=A+B)                                          | ₹1,825.29                              | ₹1,686.18  |
| Total equity (D)                                      | ₹22,258.86                             | ₹20,633.24 |
| Debt-Equity Ratio (E=C/D)                             | 0.08                                   | 0.08       |
| Total liabilities (G)                                 | ₹4,183.34                              | ₹3,374.20  |
| Less: cash and cash equivalents and bank balances (H) | ₹2,397.75                              | ₹5,556.54  |
| Net Debt (I=G-H)                                      | ₹1,785.59                              | -₹2,182.34 |
| EBITDA (J)                                            | ₹2,292.90                              | ₹1,184.87  |
| Net Debt-EBITDA Ratio (K=I/J)                         | 0.78                                   | -1.84      |

### Overview of Revenue and Expenditure

The following descriptions set forth information with respect to key components of our income statement.

| Particulars                                     | As at, or for the year ended March 31, |            |
|-------------------------------------------------|----------------------------------------|------------|
| In ₹ MM                                         | 2025                                   | 2024       |
| Total income (A)                                | ₹8,803.31                              | ₹6,373.80  |
| Revenue from operations (B)                     | ₹8,386.90                              | ₹5,981.72  |
| Profit before tax and prior period items (C)    | ₹2,129.84                              | ₹1,095.12  |
| Add: Finance costs (D)                          | ₹129.33                                | ₹85.17     |
| Add: Depreciation and amortization expenses (E) | ₹450.14                                | ₹396.65    |
| Less: Other income (F)                          | ₹416.42                                | ₹392.07    |
| EBITDA (G=C+D+E-F)                              | ₹2,292.90                              | ₹1,184.87  |
| EBITDA Margin (H=G/B)                           | 27.34%                                 | 19.81%     |
| Profit for the period (I)                       | ₹1,584.18                              | ₹824.90    |
| Total equity (J)                                | ₹22,258.86                             | ₹20,633.24 |
| PAT Margin (I/A)                                | 18.00%                                 | 12.94%     |

### Revenue from operations

Sale of products manufactured are done under our three business models, namely (i) Large-Scale Manufacturing of Specialty Chemicals, (ii) Contract Manufacturing, and (iii) Contract Research and Manufacturing Services (“CRAMS”). Such sales of products can be divided into (i) local sales, (ii) export sales (including sales to SEZ units within India), (iii) deemed exports (representing sales to Indian companies under an advance authorization license) and (iv) export sales under our CRAMS business model.

Sale of services are done under our CRAMS business model. Such sales can be divided into services provided to (i) overseas customers and (ii) customers in India.

### Other income

Other income primarily comprises interest income on fixed deposits, income from foreign exchange fluctuation, MEIS Duty Credit, SEIS Duty Credit, exports duty drawback, interest accrued on loans to employees, interest on income tax refund, profit on termination of lease amongst the others.

### Expenditure

Our expenditure comprises the following:

#### Cost of materials consumed

Cost of materials consumed comprises (i) the cost of raw materials used in the manufacture of our products; (ii) the cost of packing materials; (iii) the cost of stores and spares; and (iv) the cost of other materials. Our raw materials include crude oil derivatives such as phenol and other commodities such as hydrogen, ethylene oxide and Isobutylene gas.

Other important raw materials include chlorobenzonitrile methanol, toluene, methylene dichloride tetrahydrofuran, dichlorotoluene and thiophene.

### Changes in inventories of finished goods and work-in-progress

Expenses / Income accounted for pursuant to an (increase)/decrease in inventories of work-in-progress.

### Employee benefit expenses

Employee benefit expenses comprises salaries, wages and bonus, contribution to provident and other funds, actuarial valuation of gratuity, staff welfare expenses, leave encashment expenses, employee medical insurance expenses, value of discount in ESOPs and other employee related expenses.

### Finance costs

Finance costs comprises interest expenses on term loan, cash credit, Packing Credit Loan in Foreign Currency (PCFC), bill discounting, Stand by Letter of Credit (SLC), car loans, interest on finance liabilities and interest on overdrafts.

### Depreciation and amortization expenses

Depreciation and amortization expenses comprises depreciation of tangible assets including our plant and machinery, building, factory equipment, computer equipment, office and other equipment, furniture and fixture, amongst others; and amortization of intangible assets including computer software and others; and amortization of leasehold land and leasehold premises.

### Other expenses

Other expenses comprise primarily of (a) manufacturing expenses, such as gas expenses, steam charges, diesel expenses, water, fees paid to third party workers for solvent recovery services (classified as ‘job work charges’ in our Financial Statements), effluent disposal, and fees paid to contract works (classified as ‘manpower supply expenses’ in our Financial Statements), amongst others; (b)

administrative and general expenses, such as rents, salaries to directors, repairs and maintenance expenses, electricity expenses, legal and professional charges, amongst others; (c) selling and distribution expenses, such as freight and selling expenses and commissions paid to selling agents, amongst others; and (d) other expenses, such as loan processing fees and other documentation charges and bank charges, amongst others.

### Operating Segment and Business Models

Our Company is exclusively engaged in the business of manufacturing of speciality chemicals and intermediates. As such, in accordance with Ind AS, our Company’s business is considered to constitute one single primary segment.

### Geographic information

The geographic information analyses our revenues by our country of domicile and other countries for the periods/years indicated. In presenting geographic information, revenue has been based on the location of the customers.

| Particulars                       | For the year ended March 31, |           |
|-----------------------------------|------------------------------|-----------|
| In ₹ MM                           | 2025                         | 2024      |
| India (including deemed exports)  | ₹4,737.30                    | ₹3,483.62 |
| Rest of the world (including SEZ) | ₹3,649.60                    | ₹2,498.10 |
| Total                             | ₹8,386.90                    | ₹5,981.72 |

The following table sets out the total carrying amount of assets as at March 31, 2025 and March 31, 2024, broken down by location of the assets.

| Particulars       | As at March 31, |           |
|-------------------|-----------------|-----------|
| In ₹ MM           | 2025            | 2024      |
| India             | ₹516.35         | ₹951.22   |
| Rest of the World | ₹2,369.86       | ₹1,377.54 |
| Total             | ₹2,886.20       | ₹2,328.76 |



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### Business models

We have three broad business models within our primary operating segment, which are (a) Large-Scale Manufacturing of Specialty Chemicals, (b) Contract Manufacturing, and (c) Contract Research and Manufacturing Services (“CRAMS”), and our geographical segments: The following table sets out our revenue for each of the periods/fiscal years mentioned, broken down by our three (3) business models.

| Particulars               | For the year ended<br>March 31, |           |
|---------------------------|---------------------------------|-----------|
| In ₹ MM                   | 2025                            | 2024      |
| Large Scale Manufacturing | ₹4,623.55                       | ₹3,564.52 |
| Contract Manufacturing    | ₹2,630.07                       | ₹1,534.53 |
| CRAMS                     | ₹1,027.54                       | ₹826.61   |
| Others*                   | ₹105.74                         | ₹56.06    |
| Total                     | ₹8,386.90                       | ₹5,981.72 |

\*Others represents sale of wastage material, as well as packing material and certain raw material no longer required in our production activities.

### Results of operations

The following table sets forth our income statement data, the components of which are expressed as a percentage of total income for the periods indicated, for our operations for Fiscal Year 2025 and Fiscal Year 2024

| Particulars             | For the year<br>ended March 31, |         | For the year<br>ended March 31, |         |
|-------------------------|---------------------------------|---------|---------------------------------|---------|
|                         | In ₹ MM                         | %       | In ₹ MM                         | %       |
| Income                  |                                 |         |                                 |         |
| Revenue from operations | ₹8,386.90                       | 95.27%  | ₹5,981.72                       | 93.85%  |
| Other income            | ₹416.42                         | 4.73%   | ₹392.07                         | 6.15%   |
| Total Income            | ₹8,803.31                       | 100.00% | ₹6,373.79                       | 100.00% |

| Particulars                                                   | For the year ended<br>March 31, 2025 |        | For the year<br>ended March 31, |        |
|---------------------------------------------------------------|--------------------------------------|--------|---------------------------------|--------|
|                                                               | In ₹ MM                              | %      | In ₹ MM                         | %      |
| Expenses                                                      |                                      |        |                                 |        |
| Cost of materials consumed                                    | ₹5,072.03                            | 60.48% | ₹3,774.13                       | 63.09% |
| Changes in inventories of finished goods and work-in-progress | -₹606.19                             | -7.23% | -₹564.95                        | -9.44% |
| Employee benefits expense                                     | ₹427.95                              | 4.86%  | ₹386.25                         | 6.06%  |
| Finance costs                                                 | ₹129.33                              | 1.47%  | ₹85.17                          | 1.34%  |
| Depreciation and amortisation                                 | ₹450.14                              | 5.11%  | ₹396.65                         | 6.22%  |
| Other expenses                                                | ₹1,081.47                            | 12.28% | ₹1,063.82                       | 16.69% |
| Total expenses                                                | ₹6,554.73                            | 74.46% | ₹5,141.06                       | 80.66% |
| Profit before                                                 | ₹2,248.58                            | 25.54% | ₹1,232.74                       | 19.34% |
| Exceptional item                                              | ₹118.74                              | 1.35%  | ₹137.62                         | 2.16%  |
| Profit before tax                                             | ₹2,129.84                            | 24.19% | ₹1,095.12                       | 17.18% |
| Tax expense                                                   |                                      |        |                                 |        |
| Current tax                                                   | ₹380.16                              | 4.32%  | ₹172.90                         | 2.71%  |
| Deferred tax                                                  | ₹165.50                              | 1.88%  | ₹97.32                          | 1.53%  |
| Total tax                                                     | ₹545.66                              | 6.20%  | ₹270.22                         | 4.24%  |
| Profit for the                                                | ₹1,584.18                            | 18.00% | ₹824.90                         | 12.94% |

### Net Assets Value (NAV)

The following table sets forth the Net Assets Value (NAV) per share for Fiscal Year 2025 and Fiscal Year 2024

| Particulars                                                                                                             | As at March 31, |            |
|-------------------------------------------------------------------------------------------------------------------------|-----------------|------------|
| In ₹ MM                                                                                                                 | 2025            | 2024       |
| Total assets (A)                                                                                                        | ₹26,442.20      | ₹24,007.44 |
| Less: Other intangible assets (B)                                                                                       | ₹87.26          | ₹66.97     |
| Less: Right of use assets (C)                                                                                           | ₹1,725.78       | ₹1,596.40  |
| Less: Total liabilities (D)                                                                                             | ₹4,183.34       | ₹3,374.20  |
| Net Tangible Assets (E=A-B-C-D)                                                                                         | ₹20,445.82      | ₹18,969.87 |
| Cash and cash equivalents and bank balances (F)                                                                         | ₹2,397.75       | ₹5,556.54  |
| Less: Bank deposits with remaining maturity of more than 12 months (G)                                                  | ₹2,212.30       | ₹5,490.43  |
| Less: Fixed deposits held as margin money (H)                                                                           | ₹11.74          | ₹12.45     |
| Monetary Assets (I=F-G-H)                                                                                               | ₹173.71         | ₹53.66     |
| % of Monetary Assets to Net Tangible Assets (J=(I/E)*100)) (in %)                                                       | 0.85%           | 0.28%      |
| Net Worth (K=(1+2+3+4+5))                                                                                               | ₹22,258.85      | ₹20,633.20 |
| Issued subscribed and fully paid-up equity share capital (1)                                                            | ₹1,325.90       | ₹1,325.50  |
| General reserve (2)                                                                                                     | ₹0.00           | ₹0.00      |
| Securities premium reserve (3)                                                                                          | ₹15,441.13      | ₹15,416.17 |
| Retained earnings (4)                                                                                                   | ₹5,425.75       | ₹3,845.29  |
| Employees share options reserve (5)                                                                                     | ₹66.07          | ₹46.24     |
| Profit for the year/period (L)                                                                                          | ₹1,584.18       | ₹824.90    |
| Return on Net Worth (M=L/K) (in %)                                                                                      | 7.12%           | 4.00%      |
| Profit before tax and prior period items (N)                                                                            | ₹2,129.84       | ₹1,095.12  |
| Less: Other income (O)                                                                                                  | ₹416.42         | ₹392.07    |
| Add: Finance costs (P)                                                                                                  | ₹129.33         | ₹85.17     |
| Pre-Tax Operating Profit (Q=N-O+P)                                                                                      | ₹1,842.75       | ₹788.22    |
| Number of equity shares outstanding at the end of the period / year, after adjustment of bonus issue (R) (number in MM) | 132.59          | 132.55     |

| Particulars                                                                                                             | As at March 31, |         |
|-------------------------------------------------------------------------------------------------------------------------|-----------------|---------|
| In ₹ MM                                                                                                                 | 2025            | 2024    |
| Number of equity shares outstanding at the end of the period / year, after adjustment of bonus issue (R) (number in MM) | 132.59          | 132.55  |
| Effect of dilutive potential equity shares                                                                              | 0.06            | 0.01    |
| Number of equity shares outstanding at the end of the period / year, after adjustment of bonus issue (S) (number in MM) | 132.65          | 132.56  |
| Net Asset Value per Equity Share (basic) (T=K/R) (in ₹)                                                                 | ₹167.88         | ₹155.66 |
| Net Asset Value per Equity Share (diluted) (U=K/S) (in ₹)                                                               | ₹167.80         | ₹155.65 |

### Comparative analysis of Profit and Loss

The following table sets out the comparison of the revenues and expenses for the Fiscal Year 2025 and Fiscal Year 2025

| Particulars                | For the year ended<br>March 31 |           | Change |
|----------------------------|--------------------------------|-----------|--------|
| In ₹ MM                    | 2025                           | 2024      | %      |
| Income                     |                                |           |        |
| Revenue from operations    | ₹8,386.90                      | ₹5,981.72 | 40.21% |
| Other income               | ₹416.42                        | ₹392.07   | 6.21%  |
| Total Income               | ₹8,803.31                      | ₹6,373.79 | 38.12% |
| Expenses                   |                                |           |        |
| Cost of materials consumed | ₹5,072.03                      | ₹3,774.13 | 34.39% |



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| Particulars                                                   | For the year ended<br>March 31 |           | Change  |
|---------------------------------------------------------------|--------------------------------|-----------|---------|
| In ₹ MM                                                       | 2025                           | 2024      | %       |
| Changes in inventories of finished goods and work-in-progress | -₹606.19                       | -₹564.95  | 7.30%   |
| Employee benefits                                             | ₹427.95                        | ₹386.25   | 10.80%  |
| Finance costs                                                 | ₹129.33                        | ₹85.17    | 51.85%  |
| Depreciation and amortisation expense                         | ₹450.14                        | ₹396.65   | 13.49%  |
| Other expenses                                                | ₹1,081.47                      | ₹1,063.82 | 1.66%   |
| Total expenses                                                | ₹6,554.73                      | ₹5,141.06 | 27.50%  |
| Profit before tax, before exceptional items                   | ₹2,248.58                      | ₹1,232.74 | 82.41%  |
| Exceptional items                                             | ₹118.74                        | ₹137.62   | -13.72% |
| Profit before tax                                             | ₹2,129.84                      | ₹1,095.12 | 94.48%  |
| Tax expense                                                   |                                |           |         |
| Current tax                                                   | ₹380.16                        | ₹172.90   | 119.87% |
| Deferred tax                                                  | ₹165.50                        | ₹97.32    | 70.06%  |
| Total tax expense                                             | ₹545.66                        | ₹270.22   | 101.93% |
| Profit for the year                                           | ₹1,584.18                      | ₹824.90   | 92.04%  |

### Revenue from operations

The revenue from operations in Fiscal Year 2025 amounted to ₹8,386.90 MM, as against ₹5,981.72 MM, an increase of 40.21% in the comparative periods. The main reasons for the increase in the revenue from operations, include:

1. New site – Manufacturing Facility 4 (under our wholly owned subsidiary company – Aether Speciality Chemicals Limited) becomes operational
2. Reduction in the raw material prices to some extent.
3. Increase in the Contract / Exclusive Manufacturing

(CEM) contribution to the revenue from operations

4. In the last Fiscal Year 2024, we had suffered with fire accident at Manufacturing Facility 2, which has led to the reduction in revenues as the facility was closed for few months. This has been operational in Fiscal Year 2025, which has also led to increase in revenues

5. There is increase in volume of products sold, which has also led to increase in revenues.

### Other income

Our other income increased by just 6.21% from ₹392.07 MM in Fiscal Year 2024 to ₹416.42 MM in Fiscal Year 2025. Such less increase was primarily due to (i) interest on FDs created out of Idle QIP funds, which helped us earn ₹344.08 MM in Fiscal Year 2025, which was ₹335.19 MM only in Fiscal Year 2024 on FDs created from QIP funds and normal FDs created for margin monies, (ii) foreign exchange gain amount to ₹38.29 MM in Fiscal Years 2025 against ₹35.45 MM in Fiscal Year 2024 and (iii) SEIS duty credit which amounted to ₹10.74 MM in Fiscal Year 2025 as against MEIS Duty Credit of ₹2.09 MM in Fiscal Year 2024.

### Cost of materials consumed

Our cost of materials consumed reduced marginally by 34.39% from ₹3,774.13 MM in Fiscal Year 2024 to ₹5,072.03 MM in Fiscal Year 2025, primarily due to an increase in production volumes (in Fiscal Year 2024, due to the fire accident at Manufacturing Facility 2, there was reduction in production). But if we compare the cost of materials consumed to revenue from operations, the same accounted for 60.48% in Fiscal Year 2025 and 63.09% in Fiscal Year 2024, of revenue from operations in the respective fiscal years. This shows the efficiency of output of our products by reducing the cost marginally.

### Change in inventories of finished goods and work-in-progress

Our opening stock of (i) finished goods was ₹493.14 MM as at April 1, 2024, while it was ₹536.19 MM as at April 1,

2023 and (ii) work-in-progress was ₹1,760.81 MM as at April 1, 2024, while it was ₹1,062.81 MM as at April 1, 2023.

Our closing stock of (i) finished goods was ₹642.83 MM as at March 31, 2025, while it was ₹493.14 MM as at March 31, 2024 and (ii) work-in-progress was ₹2,014.84 MM as at March 31, 2025, while it was ₹1,809.78 MM as at March 31, 2024.

The closing stock of work in progress had increased as the end of the Fiscal Year 2024, due to the fire accident in November 2023, followed by shutdown of Manufacturing Facility 2 for few months and then restart of the same.

The major reason of increase in the closing stocks of finished goods and inventories is attributable to the start of the operations at Manufacturing Facility 4 and also the receipt of the insurance claim for the loss of stock due to fire in Fiscal Year 2024.

### Employee benefit expenses

Our employee benefit expenses increased by 10.80% from ₹386.25 MM in Fiscal Year 2024 to ₹427.95 MM in Fiscal Year 2025, primarily due to the annual increments of the employees, new recruitments and new ESOPs granted in the Fiscal Year 2025.

### Finance costs

Our finance costs increased by 51.85% from ₹85.17 MM in Fiscal Year 2024 to ₹129.33 MM in Fiscal Year 2025, primarily because the Company, after its IPO proceeds used to pay off all the debts, had to start with fresh working capital facilities from the banks for the ever increasing business needs. This was also increased due to the rates of interest which increased in Fiscal Year 2025 as compared to Fiscal Year 2024.

### Depreciation and amortization expenses

Our depreciation and amortization expense increased

by 13.49% from ₹396.65 MM in Fiscal Year 2024 to ₹450.14 MM in Fiscal Year 2025. This increase is attributable to the continuous capex being done by the Company at regular intervals for the expansions at most of the sites, and also the new projects started at Manufacturing Facility 4 and Manufacturing Facility 1.

### Other expenses

Our other expenses increased marginally by 1.66% from ₹1,063.82 MM in Fiscal 2024 to ₹1,081.47 MM in Fiscal Year 2025. The reason for such marginal increase is attributable to the cost control initiatives by the Company for its electricity expenses by commissioning new 15MW Solar Power Plant, reduction in the steam costs and other expenses being controlled at the Company level.

### Exceptional items

During the Fiscal Year 2024, there was a fire accident at our Manufacturing Facility 2 in November 2023, which lead to some one time and exceptional expenses, which amount to ₹118.74 MM (Fiscal Year 2024: 137.62 MM). This mainly includes the excess of premium paid for insurance for the insurance claim put up by the Company to the Insurance Company.

### Profit before tax

As a result of the foregoing, we recorded an increase of 94.48% in our profit before tax, which amounted to ₹2,129.84 MM in Fiscal Year 2025, as compared to ₹1,095.12 MM in Fiscal Year 2024,.

### Tax expenses

Our tax expenses (current and deferred) increased by 101.93% from ₹270.22 MM in Fiscal Year 2024 to ₹545.66 MM in Fiscal Year 2025. Our effective tax rate in Fiscal Year 2025 and Fiscal Year 2024 was 25.62% and 24.67%, respectively.



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### Profit for the period

As a result of the foregoing, we recorded an increase of 92.04% in our profit for the year from ₹824.90 MM in Fiscal Year 2024 to ₹1,584.18 MM in Fiscal Year 2025. PAT Margin in Fiscal Year 2025 has been 18%, which was 12.94% in Fiscal Year 2024.

### Liquidity and Capital Resources

#### Capital requirement

Our principal capital requirements are for payment for the various capex expansions on going at Manufacturing Facility 3++, Manufacturing Facility 4, Manufacturing Facility 1 (for the expansion of the new R&D) and Manufacturing Facility 5.

Our principal source of funding has been and is expected to continue to be, cash generated from our operations, supplemented by borrowings from banks and financial institutions and optimization of operating working capital. In Fiscal Year 2023, Initial Public Offering (IPO) done in June 2022, has also been a source of funding for the Company. For the Fiscal Year 2023 and Fiscal Year 2022, we met our funding requirements, including satisfaction of debt obligations, capital expenditure, investments, other working capital requirements, payouts to shareholders and other cash outlays, principally with funds generated from operations, optimization of operating working capital with the balance met from external borrowings, borrowings from Promoters and a fundraising by way of issuance of equity shares by way of Preferential Allotment of Shares and also Initial Public Offering (IPO).

For the expansion projects that we intend to undertake, we will be utilizing a portion of the funds generated from the QIP (done in June 2023) along with a mix of debt, and internal accruals.

### Liquidity

Our liquidity requirements arise principally from our operating activities, capital expenditures for

construction of new facilities and undertaking of new projects, the repayment of borrowings and debt service obligations. Historically, our principal sources of funding have included cash from operations, short-term and long-term borrowings from banks, overdraft facilities that are repayable on demand, cash and cash equivalents and equity and financing provided by our shareholders We have also entered into various revolving credit and other working capital facilities, which provides sufficient liquidity for our requirements. In Fiscal Year 2023, Initial Public Offering (IPO) done in June 2022, has also been a source of funding for the Company, along with Qualified Institutional Placement (QIP) done during Fiscal Year 2024 during June 2023.

### Cash flows

Our cash flows from operations had been slightly negative in Fiscal Years 2024 on account of increase in the debtor days and inventory days, mainly on account of various customers delaying the payments especially at quarter ends and releasing the same in the next month along with the inventory increase due, mainly in work-in-progress (semi finished goods) as we had restarted our Manufacturing facility 2 (50%) after the fire accident, in February 2024, wherein various products were in manufacturing and thus the increase.

But in Fiscal Year 2025, we have been able to manage the inventory, debtors and our other working capital elements very well and economically, resulting in a positive operating cash flow of ₹1,000.91 MM positive, which was negative ₹164.58 MM in Fiscal Year 2024.

Our Cash Flows for the Fiscal Year 2025 and Fiscal Year 2024 have been as depicted in the below table:

| Particulars                                  | For the year ended<br>March 31, |          |
|----------------------------------------------|---------------------------------|----------|
| In ₹ MM                                      | 2025                            | 2024     |
| Net Cash generated from Operating Activities | ₹1,000.91                       | -₹164.58 |

| Particulars                                            | For the year ended<br>March 31, |            |
|--------------------------------------------------------|---------------------------------|------------|
| In ₹ MM                                                | 2025                            | 2024       |
| Net Cash (Used in) Investing Activities                | -₹4,178.86                      | -₹4,239.33 |
| Net Cash from/(Used in) Financing Activities           | ₹19.18                          | ₹8,937.56  |
| Net Increase / (Decrease)                              | -₹3,158.78                      | ₹4,533.65  |
| Cash and Cash Equivalents at the beginning of the year | ₹5,556.54                       | ₹1,022.89  |
| Cash and Cash Equivalents at the end of the year       | ₹2,397.75                       | ₹5,556.54  |

### Cash flows generated from operating activities

We had positive ₹1,000.91 MM net cash from operating activities during the Fiscal Year 2025. While our net profit before tax was ₹2,129.84 MM, we had an operating profit before working capital changes of ₹2,352.27 MM, primarily due to adjustments for depreciation and amortization expenses of ₹450.14 MM, finance costs of ₹129.33 MM and foreign exchange gain of ₹2.69 MM, which were partially offset by interest income amounting to ₹344.08 MM. Our adjustments for working capital changes for the Fiscal Year 20255 primarily consisted of increase in trade receivables by ₹557.45557.45 MM, increase in inventories by ₹533.95 MM and increase in other current assets by ₹492.34 MM, which were partially offset by a decrease in trade payables by ₹240.33 MM. Our cash generated from operating activities was ₹1,381.07 MM, adjusted by tax paid (net of refund) of ₹380.16 MM.

We had negative ₹164.58 MM net cash from operating activities during the Fiscal Year 2024. While our net profit before tax was ₹1,095.12 MM, we had an operating profit before working capital changes of ₹1,279.82 MM, primarily due to adjustments for depreciation and amortization expenses of ₹396.65 MM, finance costs of ₹85.17 MM and foreign exchange loss of ₹6.91 MM,

which were partially offset by interest income and income from mutual funds amounting to ₹335.41 MM and ₹5.38 MM, respectively. Our adjustments for working capital changes for the Fiscal Year 2024 primarily consisted of decrease in trade receivables by ₹261.06 MM, increase in inventories by ₹947.05 MM and increase in other current assets by ₹716.47 MM, which were partially offset by a decrease in current investments by ₹10.01 MM and an increase in trade payables by ₹220.16 MM. Our cash generated from operating activities was ₹8.31 MM, adjusted by tax paid (net of refund) of ₹172.90 MM.

### Cash flows used in investing activities

Net cash used in investing activities was ₹4,178.86 MM in Fiscal Year 2025, primarily on account of ₹3,043.96 MM used for purchase of fixed assets principally for Manufacturing Facility – 3, Manufacturing Facility 1 (normal capex) and Manufacturing Facility – 2 (normal CAPEX post fire accident in November 2023), Manufacturing Facility 4 (normal Capex) and payment for new Solar Power Plant of 15MW (Auto-Tracker). Investment in Manufacturing Facility 3++ and Phase One of Manufacturing Facility 5 (at Panoli), which are still in Capital Work in Progress amounting to ₹1,478.98 MM . These were partially offsetting by ₹344.08 due to income from Mutual Fund investments.

Net cash used in investing activities was ₹4,239.33 MM in Fiscal Year 2024, primarily on account of ₹2,482.68 MM used for purchase of fixed assets principally for Manufacturing Facility – 1 (R&D and Pilot Plant expansion to three times), Manufacturing Facility – 2 (normal CAPEX), Manufacturing Facility – 3 (New Greenfield Production unit commissioned in January 2023), further investments in expansion of ₹1,794.76 towards the apex towards Manufacturing Facility 4, Manufacturing Facility 3+/3++ and Phase One of Manufacturing Facility 5 (at Panoli) and advance payment for new Solar Power Plant of 15MW (Auto-



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Tracker) still in Capital Work in Progress, which will be capitalised in future years. These were partially offsetting by ₹38.11 due to income from Mutual Fund investments.

### Cash flows generated from / (used in) financing activities

Net cash used in financing activities in the Fiscal Year 2025 amounted to ₹19.18 MM, which primarily consisted of proceeds from allotments or vesting of ESOPs to employees amounting to ₹12.83 MM and new working capital limits utilised of ₹139.11 MM, which were offset by interest paid in the amount of ₹104.05 MM, lease liabilities of ₹25.28 MM and QIP expense amounting to ₹0.90 MM.

Net cash used in financing activities in the Fiscal Year 2024 amounted to ₹8,937.56 MM, which primarily consisted of proceeds from allotment of shares in QIP amounting to ₹7,500.00 MM, proceeds from allotments or vesting of ESOPs to employees amounting to ₹8.58 MM and new working capital limits utilised of ₹1,686.18 MM, which were offset by interest paid in the amount of ₹69.49 MM and QIP expense amounting to ₹180.63 MM.

### Capital and other commitments

As of March 31, 2025 and March 31, 2024, the estimated amount of contracts remaining to be executed on capital account not provided for was ₹194.18 MM and ₹25.80 MM, respectively.

### Capital expenditure

Capital expenditures consist primarily of investments in new manufacturing facilities and equipment. We also make investments at our manufacturing facilities to add new technologies, modernise facilities and expand our product lines. Capital expenditure will vary from year to year depending upon a number of factors, including the need to replace equipment and the timing of certain projects, such as investment in new technologies. In the Fiscal Year 2025, we incurred capital

expenditure of ₹4,147.84 MM (Fiscal Year 2024: ₹3,304.35 MM). A significant amount of our capital expenditure was aimed at constructing manufacturing and other facilities, increasing our manufacturing capacities and diversifying our product base, along with the construction of the Greenfield Project at site 3+/3++, first phase of expansion at Manufacturing Facility 5 and a small portion of expansion at Manufacturing Facility 1 (R&D expansion).

### Contingent liabilities

Contingent liabilities, to the extent not provided for, as of March 31, 2025 and March 31, 2024, as determined in accordance with Ind AS 37, are described below:

| Particulars (₹ in MM)       | 2025    | 2024   |
|-----------------------------|---------|--------|
| Bank Guarantees Issued for: |         |        |
| Customs                     | ₹8.89   | ₹8.89  |
| Gujarat Gas Limited         | ₹27.31  | ₹20.71 |
| DGVCL                       | ₹100.46 | ₹54.55 |
| NHI                         | ₹0.25   | ₹0.25  |
| GPCB                        | ₹0.75   | ₹0.75  |
| Total Margin for the above  | ₹11.74  | ₹11.83 |
| Raw Material FLC            | ₹0.00   | \$0.06 |
| Total Margin for the above  | ₹0.00   | ₹0.62  |
| Income tax demands:         |         |        |
| AY 2017-18 (FY 2016-17)     | ₹0.00   | \$0.15 |
| AY 2018-19 (FY 2017-18)     | ₹0.00   | \$0.94 |
| AY 2020-21 (FY 2019-20)     | ₹1.18   | \$1.00 |

#### Note:

All the Contingent Liabilities, except Income Tax Demands, listed above, which are outstanding as on current Balance Sheet date are not 100% secured through cash margins placed with the banks.

The Income Tax Demands are under CIT appeal by the Company and the outcome of the same is not known and hence the demand amount has been considered as contingent liability.

### Related Party Transactions

Contingent liabilities, to the extent not provided for, as of

March 31, 2025 and March 31, 2024, as determined in accordance with Ind AS 37, are described below:

| Nature of transaction (₹ in MM)               | 2025    | 2024    |
|-----------------------------------------------|---------|---------|
| Rent Paid                                     | ₹5.58   | ₹6.60   |
| Managerial Remuneration                       | ₹67.25  | ₹67.25  |
| Purchase of Consumables                       | ₹4.75   | ₹0.00   |
| Purchase of Material for Building & Structure | ₹34.83  | ₹27.93  |
| ETP Expenses                                  | ₹77.32  | ₹87.06  |
| CSR Activities                                | ₹1.97   | ₹1.27   |
| Salary                                        | ₹25.38  | ₹8.03   |
| Sitting Fees                                  | ₹1.97   | ₹2.54   |
| Plot Bought at Site-1                         | ₹109.44 | ₹0.00   |
| Purchase of Property                          | ₹80.00  | ₹0.00   |
| Total                                         | ₹408.48 | ₹200.68 |

#### Note:

For details of the related party transactions and as reported in the Financial Statements, please see the section entitled “Note 40” in “Financial Statements”.

### Financial risk management

#### Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring

the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess impairment loss or gain. The Company uses a matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and Company's historical experience for customers.

1. The company has not made any provision on expected credit loss on trade receivables and other financials assets, based on the management estimates.
2. Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings assigned by domestic credit rating agencies.

#### Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's treasury department within the Finance Department is responsible for liquidity and funding. In addition policies and procedures relating to such risks are overseen by the management.

The table below sets out an analysis of working capital and current ratio as at March 31, 2025 and March 31, 2024: The table below sets out exposure to financial liabilities based on the contractual maturity as at the



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reporting date:

| Particulars                   | As at March 31, |            |
|-------------------------------|-----------------|------------|
| In ₹ MM                       | 2025            | 2024       |
| Total Current Assets (A)      | ₹11,381.74      | ₹13,026.52 |
| Total Current Liabilities (B) | ₹3,507.03       | ₹2,890.87  |
| Working Capital (A-B)         | ₹7,874.71       | ₹10,135.65 |
| Current Ratio                 | 3.25            | 4.51       |

The table below sets out exposure to financial liabilities based on the contractual maturity as at the reporting date:

|                      | In ₹ MM        |               |               |           |
|----------------------|----------------|---------------|---------------|-----------|
| As at March 31, 2025 | Carrying value | < than 1 Year | > than 1 Year | Total     |
| Borrowings           | ₹1,825.29      | ₹1,825.29     | ₹0.00         | ₹1,825.29 |
| Trade payables       | ₹1,275.68      | ₹1,275.68     | ₹0.00         | ₹1,275.68 |
| Lease Liabilities    | ₹173.41        | ₹25.32        | ₹148.09       | ₹173.41   |
| Other liabilities    | ₹113.55        | ₹113.55       | ₹0.00         | ₹113.55   |
| As at March 31, 2024 |                |               |               |           |
| Borrowings           | ₹1,686.18      | ₹1,686.18     | ₹0.00         | ₹1,686.18 |
| Trade payables       | ₹1,035.34      | ₹1,035.34     | ₹0.00         | ₹1,035.34 |
| Lease Liabilities    | ₹143.84        | ₹24.46        | ₹119.37       | ₹143.84   |
| Other liabilities    | ₹116.08        | ₹116.08       | ₹0.00         | ₹116.08   |

### Market Risk

Market risk is the risk that changes with market prices – such as foreign exchange rates and interest rates, will affect the Company’s income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

### Foreign Exchange Rate Risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate.

Company transacts business in its functional currency (₹) and in other foreign currencies. The Company’s exposure to the risk of changes in foreign exchange rates relates primarily to the Company’s operating activities, where revenue or expense is denominated in a foreign currency.

The table below sets out an analysis of unhedged foreign currency exposure:

| Particulars                    | For the year ended March 31, 2025 |                | For the year ended March 31, 2024 |                |
|--------------------------------|-----------------------------------|----------------|-----------------------------------|----------------|
|                                | Foreign currency (in MM)          | Rupees (in MM) | Foreign currency (in MM)          | Rupees (in MM) |
| (A) Financial Assets           |                                   |                |                                   |                |
| Trade Receivables              | \$27.69                           | ₹2,369.86      | \$16.52                           | ₹1,377.54      |
| Balance with banks – EEFC      | \$0.89                            | ₹76.12         | \$0.45                            | ₹37.72         |
| (B) Financial Liabilities      |                                   |                |                                   |                |
| Trade Payables                 | \$1.60                            | ₹136.29        | \$0.10                            | ₹8.27          |
| (C) Currency wise net exposure |                                   |                |                                   |                |
| Financial Assets –             | \$26.99                           | ₹2,309.70      | \$16.88                           | ₹1,406.99      |
| Financial Liabilities          |                                   |                |                                   |                |

### Sensitivity analysis

| Particulars (₹ in MM)                              | As at March 31, |         |
|----------------------------------------------------|-----------------|---------|
|                                                    | 2025            | 2024    |
| Impact on profit/equity (1% strengthening) – US \$ | ₹23.10          | ₹14.07  |
| Impact on profit/equity (1% weakening) – US \$     | -₹23.10         | -₹14.07 |

### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company’s exposure to the risk of changes in market interest rates relates primarily to the Company’s debt obligations with floating interest rates. The Company manages its interest rates by selecting appropriate type of borrowings and by negotiation with the bankers.

The exposure of the borrowings (long-term and short-term) to interest rate changes at the end of the reporting period are as follows:

| Particulars (₹ in MM)    | As at March 31, |           |
|--------------------------|-----------------|-----------|
|                          | 2025            | 2024      |
| Variable rate borrowings | ₹1,825.29       | ₹1,686.18 |
| Fixed rate borrowings    | ₹0.00           | ₹0.00     |
| Total borrowings         | ₹1,825.29       | ₹1,686.18 |

### Sensitivity analysis

| Particulars (₹ in MM)       | Impact on Profit before tax / pre-tax equity |        |
|-----------------------------|----------------------------------------------|--------|
|                             | As at March 31,                              |        |
|                             | 2025                                         | 2024   |
| Increase by 50 basis points | -₹9.13                                       | -₹8.43 |
| Decrease by 50 basis points | ₹9.13                                        | ₹8.43  |

### Capital management

The Company’s capital comprises equity share capital, surplus in the statement of profit and loss and other equity attributable to equity holders.

The Company’s objectives when managing capital are to :

1. safeguard their ability to continue as a going concern, so that they can continue to provide returns

for shareholders and benefits for other stakeholders, and  
2. maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital using debt-equity ratio, which is net debt divided by total equity. These ratios are illustrated below:

| Particulars (₹ in MM)                             | As at March 31, |            |
|---------------------------------------------------|-----------------|------------|
|                                                   | 2025            | 2024       |
| Total liabilities                                 | ₹4,183.34       | ₹3,374.20  |
| Less: cash and cash equivalents and bank balances | ₹2,397.75       | ₹5,556.54  |
| Net Debt                                          | ₹1,785.59       | -₹2,182.34 |
| Total equity                                      | ₹22,258.86      | ₹20,633.24 |
| Net Debt-equity ratio                             | 0.08            | -0.11      |

### Financial indebtedness

The financial indebtedness of the Company as on March 31, 2025 and March 31, 2024 are as depicted in the table below:

| Particulars (₹ in MM)             | As at March 31, |           |
|-----------------------------------|-----------------|-----------|
|                                   | 2025            | 2024      |
| Short Term                        |                 |           |
| Secured Borrowings, comprising of | ₹1,825.29       | ₹1,686.18 |
| Loans repayable on demand         | ₹1,825.29       | ₹1,686.18 |
| Long Term                         | ₹0.00           | ₹0.00     |
| Total indebtedness                | 1,825.29        | 1,686.18  |

### Significant Economic Changes

Other than as described above, to the knowledge of our management, there are no other significant economic changes that materially affect or are likely to affect income from continuing operations.



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## Unusual or Infrequent Events of Transactions

None

## Reservations, Qualifications and Adverse Remarks Included in Financial Statements

There have been no reservations or qualifications or adverse remarks of our Statutory Auditors in the last three fiscal Years.

## Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements, derivative instruments or other relationships with other entities that would have been established for the purpose of facilitating off-balance sheet arrangements.

## Issue of Equity Shares for consideration other than cash

Except for the bonus allotment made on November 17, 2021, our Company has not issued any Equity Shares, for consideration other than cash.

## Split / Consolidation of Equity Shares

Our Company has not undertaken a split or consolidation of the Equity Shares.

## Exemption from complying with any provisions of securities laws, if any, granted by SEBI

Our Company has not made any application under Regulation 300(1)(c) of the SEBI ICDR Regulations for seeking exemption from complying with any provisions of securities laws.





06

# Financial Statements

# Audit Report – Standalone Financial Statements

To,  
The Members,  
Aether Industries Limited  
Surat

## I. Audit Report on the Financial Statements

### 1. Opinion

- A. We have audited the accompanying Standalone Ind AS Financial Statements of AETHER INDUSTRIES LIMITED (“the Company”), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “Financial Statements”).
- B. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### 2. Basis of opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our

responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

### 3. Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

#### A. Inventory valuation

The Company manufactures and sells speciality chemicals and intermediates for the pharmaceutical, agrochemicals, oil & gas, coatings and various other segments, which carry shelf life. As a result, significant level of judgement is involved in estimating inventory valuation. Judgement is required to assess the appropriate net realisable value for short dated raw materials, semi-finished goods and finished goods. Such judgements include management expectations for future sales and inventory liquidation plans.

Auditors’ response: Our audit procedures included, amongst others:

- We attended stock counts to identify whether any inventory was obsolete,
- We assessed the basis for the inventory valuation, the consistency in policy and the rationale in its application,
- We tested the accuracy of the ageing of inventories based on system generated reports,
- We reviewed the testing done for net realizable value of inventories and future plans for consumptions;
- We tested the arithmetical accuracy of valuation files; and
- We reviewed product-wise historical data relating to sales return etc. and also its impact on valuation.

We have assessed the adequacy of disclosure in the Standalone Financial Statements.

#### B. Assessment of Impairment of Investment made in and Loans given to the subsidiary Company

Management is required to review regularly whether there are any indicators of impairment of such investments / loans by reference to the requirements under Ind AS and perform its impairment assessment by comparing the carrying value of these investments made/ loans given to their recoverable amount to determine whether impairment needs to be recognized.

For impairment testing, value in use has to be determined by forecasting and discounting future cash flows of subsidiary.

Further, the value in use is highly sensitive to changes in critical variable used for forecasting the future cash flows including market projections for revenues and discounting rates.

The determination of the recoverable amount from subsidiary company involves management estimates and judgement which may affect the outcome.

So, there is an inherent risk in the valuation of

investment / recoverability of loans, due to the use of estimates and judgements mentioned above and. Accordingly, the assessment of impairment of investment/loans in subsidiary company has been determined as a key audit matter.

Auditors’ response: Our audit procedures included, amongst others:

- We tested the Design, Implementation and Operating effectiveness of controls over impairment assessment process, including those over the forecasts of future revenue and operating margin, and the selection of the discount rate.
- Our substantive testing procedures included evaluation of appropriateness of management assumption whether any indicators of loss allowances and impairment existed by verifying a discounted cash flow model prepared by the Management of the Company.
- We have tested the reasonableness of key assumptions, including revenue, profit and cash flow growth rates, terminal value and the selection of discount rates management has applied.
- We performed our own independent sensitivity analysis to understand the impact of reasonable changes in management assumptions.
- Independent assessment of the future cash flows and assessing the appropriateness of the future cash flows estimated. In making this assessment, we also evaluated the objectivity, independence and competency of specialists involved in the process.
- Assessing the assumptions around the key drivers of the revenue projections, future cash flow, discount rates / weighted average cost of capital that were used by the management.
- Management evaluation of recoverability of loans and granted to its subsidiary company.
- Test the arithmetical accuracy.



# Audit Report – Standalone Financial Statements

4. Information other than the Financial Statements and Auditor’s Report thereon

A. The Company’s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Business Responsibility Report, Corporate Governance and Shareholder’s Information, but does not include the Standalone Financial Statements and our auditor’s report thereon. Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

B. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

5. Management’s responsibilities for the Financial Statements

A. The Company’s management is responsible for preparation of these Financial Statements that give a true and fair view of the state of affairs, profit, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with relevant rules issued there under. This responsibility also includes maintenance of adequate accounting

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

B. In preparing the Financial Statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company’s financial reporting process.

6. Auditor’s responsibilities for the Financial Statements

A. Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards of Auditing issued by the institute of chartered accountants of India, will always detect a

material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

- B. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- i) Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
  - iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - iv) Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast

significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.

v) Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

C. Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in:

- i) planning the scope of our audit work and in evaluating the results of our work; and
- ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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

E. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all



# Audit Report – Standalone Financial Statements

- relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- F. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.
- II. Report on other legal and regulatory requirements
1. As required by Section 143(3) of the Act, based on our audit we report that:
- A. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- B. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- C. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- D. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under

- Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- E. On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- F. With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls with reference to standalone financial statements.
- G. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act read with Schedule V of the Act and the rules thereunder.
- H. With respect to the other matters to be included in the Auditors’ Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The companies forming part of the Group do not have any pending litigations which would impact the financial position of the Group as at 31 March 2025.
- ii. The companies forming part of the Group did

- not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the companies forming part of the Group.
- iv)
- (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, outside the Group, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by

- the Company or any of such subsidiaries from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v) The company has not declared or paid any dividend during the year in accordance with section 123 of the Companies Act 2013”, Hence clause not applicable.
- vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable with effect from April 1, 2023 to the Company and its subsidiaries, which are companies incorporated in India, and accordingly, reporting under Rule 11(g) of



# Audit Report – Standalone Financial Statements

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Companies (Audit and Auditors) Rules, 2014 is applicable for the financial year ended March 31, 2025.</p>                                                                                                                                                                                                                                                                                                                                                                    | <p>not modified in respect of this matter.</p>                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <p>Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.</p>                                                                                                                   | <p>IV. Other matters</p> <p>Opening balance with respect to the financial information for the year ended 31 March 2025, included in these Financial Statements, are based on audited Financial Statements for the year ended 31 March 2024, which has been approved by the Company's Board of Directors on May 21, 2024.</p> <p>Our opinion is not modified in respect of this matter.</p> | <p><b>Annexure A to the Auditor's Report</b></p> <p>Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")</p> <p>We have audited the internal financial controls over financial reporting of AETHER INDUSTRIES LTD. ("The Company") as of 31 March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <p>(the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.</p>                           |
| <p>We have checked audit trail feature at every quarter end we did not come across any instances of audit trail feature being tempered. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31 March, 2025.</p> | <p><b>For Birju S. Shah &amp; Associates</b><br/>Chartered Accountants   ICAI Firm Reg. No.: 131554W</p> <p><b>Birju S. Shah - Proprietor</b><br/>Membership No.: 107086   UDIN: 25107086BMLCC17271</p> <p>Place: Surat   Date: May 2, 2025</p>                                                                                                                                            | <p><b>Management's Responsibility for Internal Financial Controls</b></p> <p>The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including 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, as required under the Companies Act, 2013.</p> | <p>Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.</p> |
| <p>2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.</p>                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <p>We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <p>III. Emphasis matter</p> <p>We draw attention to Note - 35 to the standalone Ind AS financial statements, which describes the effect of fire occurred in factory premises on November 29, 2023. The loss on account of fire are duly considered under exceptional item of profit and loss and account and Note-35. Our opinion is</p>                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                            | <p><b>Auditor's Responsibility</b></p> <p>Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <p><b>Meaning of Internal Financial Controls over Financial Reporting</b></p> <p>A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements</p>                                                                                                                                                                                                                                                                                                                                                                                                                     |



# Audit Report – Standalone Financial Statements

for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2025, based on the

internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Birju S. Shah & Associates**  
Chartered Accountants | ICAI Firm Reg. No.: 131554W

**Birju S. Shah – Proprietor**  
Membership No.: 107086 | UDIN: 25107086BMLCC17271

Place: Surat | Date: May 2, 2025

### Annexure B to the Auditor’s Report

The Annexure referred to in our report to the members of AETHER INDUSTRIES LTD for the year ended March 31, 2025.

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

1. (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment (“PPE”) including Investment Property and Right of use assets.

1. (a) B. The Company has maintained proper records showing full particulars of intangible assets.

1. (b) Company has a regular program of physical verification of PPE which, in our opinion is reasonable. The PPE which were to be covered as per the said program have been physically verified by the management during the year. In our opinion and according to the information and explanations given to us, no material discrepancies were noticed on such verification.

1. (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the Standalone financial statements are held in the name of the Company.

1. (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year.

1. (e) There are no proceedings which have been initiated or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder.

2. (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by Management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.

2. (b) Yes, the company has been sanctioned working capital limit exceeding five crores and quarterly returns and statements are in conformity with the books of accounts of the Company.

3. During the year, the Company has not provided loans or advances in the nature of loans, or stood guarantee, or provided security to any subsidiary, joint venture or associates except loans to the wholly owned subsidiary Company named M/s. Aether Speciality Chemicals Limited.

3. (a) A. Company has provided unsecured loans to its 100% subsidiary M/s. Aether Specialty Chemicals Limited as below:

Aggregate amount during the year: ₹382.00 MM  
Balance outstanding as at Balance Sheet date: ₹344.79 MM

3. (b) In our opinion, the terms and conditions of the grant of all loans are not, prima facie, prejudicial to the Company's interest.



# Audit Report – Standalone Financial Statements

3. (c) In respect of loans provided to the employees of the company, a proper schedule of the repayment of loan has been stipulated.

3. (d) In respect of loans granted by the company, there is no overdue amount remaining outstanding as at the balance sheet date.

3. (e) No loan granted by the company which fallen due during the year, has been renewed or extended or fresh loans granted to settled the overdue of existing loans given to the same parties.

3. (f) The Company has granted loans to its subsidiaries which are repayable on demand, during the year, details of which are given below:

Aggregate amount of loans repayable on demand: ₹382.00 MM  
Loans given to Wholly Owned Subsidiary: ₹382.00 MM  
Percentage of loans to the total loans: 95.82%

4. The Company has complied with provisions of Section 185 and 186 of the Act in respect of loans granted, investments made and guarantees and securities provided, as applicable.

5. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

6. As explained to us, the Company is maintaining accounts and records prescribed by the Central Government under Section 148(1) of the Companies Act, 2013. We have however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.

7. (a) According to the information and explanations

given to us and on the basis of our examination of the records of the Company, the Company has been regular in depositing with appropriate authorities undisputed statutory dues, including Goods and Services Tax, Provident Fund, Employee's State Insurance, Income Tax, duty of Customs, cess and other statutory dues applicable to it. Further, no undisputed amounts payable in respect of Goods and Services Tax, provident fund, employee's state insurance, income tax, value added tax, cess and any other statutory dues were in arrears, as at March 31, 2025, for a period of more than six months from the date they become payable.

7. (b) According to the information and explanations given to us, there are no dues of Income Tax, GST, Provident fund, Employees' State Insurance, Income-tax, duty of Customs, Cess or other statutory dues which have not been deposited by the Company on account of disputes.

8. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(43 of 1961). Accordingly, the provisions of clause 3(viii) of the Order are not applicable.

9. (a) The Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

9. (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

9. (c) Yes, disbursed amount of sanction for term loans have been utilized for the purpose for which the same has been sanctioned and obtained.

9. (d) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

9. (e) No, the company has not taken any fund for the stated purpose.

9. (f) No. the company has not taken any fund for the stated purpose.

10. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year, and hence reporting under clause 3(x)(a) of the Order is not applicable to the Company.

10. (b) During the year the Company has not raised money by preferential allotment of shares(QIP).

11. (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

11. (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

11. (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

12. (a) The Company is not a Nidhi Company. Accordingly, this clause is not applicable.

12. (b) This particular clause is not applicable to the company for the audit period.

12. (c) The Company is not a Nidhi Company. Accordingly, this clause is not applicable.

13. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Financial Statements etc. as required by the applicable accounting standards.

14. (a) The company has an adequate internal audit system which commensurate with the size and nature of its business.

14. (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

15. The Company has not entered into any non-cash transactions with directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

16. (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company.

16. (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities and is not required to obtain CoR for such activities from the Reserve Bank of India.

16. (c) The Company is not a Core Investment Company as defined in the regulations made by



# Audit Report – Standalone Financial Statements

Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

16. (d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

17. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

18. There has been no resignation of the Statutory Auditors of the Company during the year.

19. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

20. (a) Yes, the company has duly complied with the provisions of Section 135 of the companies act, 2013.

20. (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act.

For **Birju S. Shah & Associates**  
Chartered Accountants | ICAI Firm Reg. No.: 131554W

**Birju S. Shah - Proprietor**  
Membership No.: 107086 | UDIN: 25107086BMLCC17271

Place: Surat | Date: May 2, 2025



Annexure I – Statement of Assets and Liabilities

| Assets (₹ in MM)                          | As at March 31, |            |            |
|-------------------------------------------|-----------------|------------|------------|
|                                           | Note            | 2025       | 2024       |
| Non-current assets                        |                 |            |            |
| Property, plant and equipment             | 3               | ₹8,534.77  | ₹6,096.69  |
| Capital work-in-progress                  | 4               | ₹3,330.70  | ₹2,142.60  |
| Right-of-use assets                       | 5               | ₹1,343.07  | ₹1,326.71  |
| Intangible assets                         | 6               | ₹7.54      | ₹5.50      |
| Intangibles under development             | 7               | ₹65.40     | ₹50.19     |
| Financial assets                          |                 |            |            |
| (i) Investments                           | 8               | ₹1,002.58  | ₹2.60      |
| (ii) Other financial assets               | 9               | ₹51.92     | ₹90.90     |
| Other non-current assets                  | 10              | ₹194.77    | ₹21.07     |
| Total non-current assets                  |                 | ₹14,530.75 | ₹9,736.25  |
| Current assets                            |                 |            |            |
| Inventories                               | 11              | ₹3,864.85  | ₹3,412.39  |
| Financial assets                          |                 |            |            |
| (i) Trade receivables                     | 12              | ₹2,640.16  | ₹2,299.22  |
| (ii) Cash and cash equivalents            | 13              | ₹173.70    | ₹53.54     |
| (iii) Bank balances other than (ii) above | 14              | ₹2,223.81  | ₹5,502.65  |
| (iv) Loans                                | 15              | ₹361.64    | ₹1,056.70  |
| (v) Other financial assets                | 16              | ₹274.66    | ₹352.18    |
| Other current assets                      | 17              | ₹1,542.23  | ₹1,144.36  |
| Total current assets                      |                 | ₹11,081.05 | ₹13,821.04 |
| Total assets                              |                 | ₹25,611.80 | ₹23,557.29 |

The above statement should be read with basis of preparation, significant accounting policies and notes forming part of the Financial Information appearing in Annexure V and Annexure VI as per our report attached.

For Birju S. Shah & Associates, Chartered Accountants  
ICAI Firm Reg. No.: 131554W  
Birju S. Shah, Proprietor  
Membership No.: 107086 | UDIN: 25107086BMLCCI7271  
Place: Surat | Date: May 2, 2025

| Equity and Liabilities (₹ in MM)    | As at March 31, |            |            |
|-------------------------------------|-----------------|------------|------------|
|                                     | Note            | 2025       | 2024       |
| Equity                              |                 |            |            |
| Equity share capital                | 18              | ₹1,325.90  | ₹1,325.50  |
| Other equity                        | 19              | ₹20,925.78 | ₹19,363.82 |
| Total equity                        |                 | ₹22,251.69 | ₹20,689.32 |
| Liabilities                         |                 |            |            |
| Non-current liabilities             |                 |            |            |
| Financial liabilities               |                 |            |            |
| (i) Lease liabilities               | 20              | ₹148.09    | ₹119.37    |
| Deferred tax liabilities (net)      | 36(d)           | ₹499.53    | ₹352.94    |
| Total non-current liabilities       |                 | ₹647.62    | ₹472.31    |
| Current liabilities                 |                 |            |            |
| Financial liabilities               |                 |            |            |
| (i) Borrowings                      | 21              | ₹1,197.31  | ₹1,292.03  |
| (ii) Lease liabilities              | 22              | ₹25.32     | ₹24.46     |
| (iii) Trade payables                | 23              |            |            |
| a) total outstanding dues of MSME   |                 | ₹214.87    | ₹76.59     |
| b) total outstanding dues of others |                 | ₹926.55    | ₹861.66    |
| (iv) Other financial liabilities    | 24              | ₹112.25    | ₹114.68    |
| Other current liabilities           | 25              | ₹234.64    | ₹26.23     |
| Provisions                          | 26              | ₹1.55      | ₹0.00      |
| Total current liabilities           |                 | ₹2,712.49  | ₹2,395.65  |
| Total liabilities                   |                 | ₹3,360.11  | ₹2,867.96  |
| Total equity and liabilities        |                 | ₹25,611.80 | ₹23,557.29 |

As per our report of even date attached – along with notes 3 to 53.

For and on behalf of Board of Directors of Aether Industries Limited (CIN: L24100GJ2013PLC073434)  
Ashwin Desai, Managing Director – DIN: 00038386  
Rohan Desai, Whole Time Director – DIN: 00038379  
Faiz Nagariya, Chief Financial Officer – PAN: ADBPN8514G  
Chitrarth Parghi, Company Secretary – Mem. No.: F12563  
Place: Surat | Date: May 2, 2025



Annexure II – Statement of Profit and Loss

| Particulars (₹ in MM)                                         | For the year ended March 31, |                  |                  |
|---------------------------------------------------------------|------------------------------|------------------|------------------|
|                                                               | Note                         | 2025             | 2024             |
| <b>Income</b>                                                 |                              |                  |                  |
| Revenue from operations                                       | 27                           | ₹7,885.18        | ₹5,956.69        |
| Other income                                                  | 28                           | ₹443.16          | ₹442.64          |
| <b>Total income</b>                                           |                              | <b>₹8,328.34</b> | <b>₹6,399.33</b> |
| <b>Expenses</b>                                               |                              |                  |                  |
| Cost of materials consumed                                    | 29                           | ₹4,736.05        | ₹3,757.87        |
| Changes in inventories of finished goods and work-in-progress | 30                           | -₹600.41         | -₹564.42         |
| Employee benefit expenses                                     | 31                           | ₹425.24          | ₹386.11          |
| Finance costs                                                 | 32                           | ₹102.25          | ₹85.17           |
| Depreciation and amortisation expense                         | 33                           | ₹427.97          | ₹394.15          |
| Other expenses                                                | 34                           | ₹1,069.60        | ₹1,062.66        |
| <b>Total expenses</b>                                         |                              | <b>₹6,160.69</b> | <b>₹5,121.54</b> |
| <b>Profit before exceptional items and tax</b>                |                              | <b>₹2,167.65</b> | <b>₹1,277.78</b> |
| Exceptional items                                             | 35                           | ₹118.74          | ₹137.62          |
| <b>Profit before tax</b>                                      |                              | <b>₹2,048.91</b> | <b>₹1,140.17</b> |
| <b>Tax expense</b>                                            | 36                           |                  |                  |
| Current tax                                                   |                              | ₹380.16          | ₹172.90          |
| Deferred tax                                                  |                              | ₹147.85          | ₹86.29           |
| <b>Total tax expense</b>                                      |                              | <b>₹528.01</b>   | <b>₹259.19</b>   |

The above statement should be read with basis of preparation, significant accounting policies and notes forming part of the Financial Information appearing in Annexure V and Annexure VI as per our report attached.

For Birju S. Shah & Associates, Chartered Accountants  
ICAI Firm Reg. No.: 131554W  
Birju S. Shah, Proprietor  
Membership No.: 107086 | UDIN: 25107086BMLCCI7271  
Place: Surat | Date: May 2, 2025

| Particulars (₹ in MM)                                                           | For the year ended March 31, |                  |                |
|---------------------------------------------------------------------------------|------------------------------|------------------|----------------|
|                                                                                 | Note                         | 2025             | 2024           |
| <b>Profit for the year (A)</b>                                                  |                              | <b>₹1,520.90</b> | <b>₹880.98</b> |
| <b>Other comprehensive -loss / income</b>                                       |                              |                  |                |
| Items that will not be re-classified subsequently to profit or loss             |                              |                  |                |
| (i) Remeasurement of defined benefit liability / -asset                         |                              | -₹4.97           | -₹4.46         |
| (ii) Income tax relating to remeasurement of defined benefit liability / -asset |                              | ₹1.25            | ₹1.12          |
| <b>Other comprehensive -loss / income (B)</b>                                   |                              | <b>-₹3.72</b>    | <b>-₹3.34</b>  |
| <b>Total comprehensive income for the year (A + B)</b>                          |                              | <b>₹1,517.18</b> | <b>₹877.64</b> |
| <b>Earnings per equity share</b>                                                | 37                           |                  |                |
| [nominal value of Rs. 10]                                                       |                              |                  |                |
| Basic                                                                           |                              | ₹11.47           | ₹6.74          |
| Diluted                                                                         |                              | ₹11.47           | ₹6.74          |

As per our report of even date attached - along with notes 3 to 53.

For and on behalf of Board of Directors of Aether Industries Limited (CIN: L24100GJ2013PLC073434)  
Ashwin Desai, Managing Director — DIN: 00038386  
Rohan Desai, Whole Time Director — DIN: 00038379  
Faiz Nagariya, Chief Financial Officer — PAN: ADBPN8514G  
Chitrarth Parghi, Company Secretary — Mem. No.: F12563  
Place: Surat | Date: May 2, 2025



Annexure III – Statement of Changes in Equity

| Particulars (₹ in MM)                                                                         | As at March 31, 2025          |                                            | As at March 31, 2024 |                    |
|-----------------------------------------------------------------------------------------------|-------------------------------|--------------------------------------------|----------------------|--------------------|
|                                                                                               | No. of Shares                 | Value                                      | No. of Shares        | Value              |
| (a) Equity share capital                                                                      |                               |                                            |                      |                    |
| Balance at the beginning of the reporting period                                              | 13,25,50,273                  | ₹1,325.50                                  | 12,45,10,721         | ₹1,245.11          |
| Change in equity share capital during the period                                              | 39,968                        | ₹0.40                                      | 80,39,552            | ₹80.40             |
| Balance at the end of the reporting period                                                    | 13,25,90,241                  | ₹1,325.90                                  | ₹13,25,50,273        | ₹1,325.50          |
| For any subsequent event changes relating to share capital, refer note number 51(a).          |                               |                                            |                      |                    |
| (b) Other equity                                                                              | Employee Share Option Reserve | Reserves and surplus<br>Securities Premium | Retained Earnings    | Total other Equity |
| Balance as at April 1, 2023                                                                   | ₹15.56                        | ₹8,162.55                                  | ₹3,022.85            | ₹11,200.98         |
| Total comprehensive income for the year ended March 31, 2024                                  |                               |                                            |                      |                    |
| Profit for the period                                                                         | ₹0.00                         | ₹0.00                                      | ₹880.98              | ₹880.98            |
| Other comprehensive income (net of tax)                                                       |                               |                                            |                      |                    |
| Remeasurements of defined benefit liability / (asset)                                         | ₹0.00                         | ₹0.00                                      | -₹3.34               | -₹3.34             |
| Total comprehensive income                                                                    | ₹15.56                        | ₹8,162.55                                  | ₹3,900.49            | ₹12,078.60         |
| Other movements for the year ended March 31, 2024                                             |                               |                                            |                      |                    |
| Allotment of shares in QIP (8012820 Equity Shares of ₹10 each at a Premium of ₹926 per share) | ₹0.00                         | ₹7,419.87                                  | ₹0.00                | ₹7,419.87          |
| Shares based payment options outstanding (ESOPs exercised)                                    | -₹6.07                        | ₹6.07                                      | ₹0.00                | ₹0.00              |
| Shares based payment options outstanding (ESOPs valuation)                                    | ₹36.76                        | ₹0.00                                      | ₹0.00                | ₹36.76             |
| QIP expenses                                                                                  | ₹0.00                         | -₹180.63                                   | ₹0.00                | -₹180.63           |

Nature and purpose of reserves:

- i) **Retained earnings:** Retained earnings comprises of undistributed earnings after taxes.
- ii) **Securities premium:** Securities premium account is used to record the premium on issue of shares and the IPO / QIP expenses have been netted off from the same.
- iii) **Employee share option:** Employee share options pending to be exercised are recorded here.

For Birju S. Shah & Associates, Chartered Accountants  
ICAI Firm Reg. No.: 131554W  
Birju S. Shah, Proprietor  
Membership No.: 107086 | UDIN: 25107086BMLCCI7271  
Place: Surat | Date: May 2, 2025

₹ in MM

| (b) Other equity                                                                                                    | Reserves and surplus          |                    |                   |                    |
|---------------------------------------------------------------------------------------------------------------------|-------------------------------|--------------------|-------------------|--------------------|
|                                                                                                                     | Employee Share Option Reserve | Securities Premium | Retained Earnings | Total other Equity |
| Allotment of Shares under exercise of ESOPs (26,732 Equity Shares of Rs. 10 each at a Premium of Rs. 311 per share) | ₹0.00                         | ₹8.31              | ₹0.00             | ₹8.31              |
| Changes in the Lease Liabilities                                                                                    | ₹0.00                         | ₹0.00              | ₹0.89             | ₹0.89              |
| Balance as at March 31, 2024                                                                                        | ₹46.24                        | ₹15,416.17         | ₹3,901.40         | ₹19,363.81         |
| Balance as at April 1, 2024                                                                                         | ₹46.24                        | ₹15,416.17         | ₹3,901.40         | ₹19,363.81         |
| Total comprehensive income for the year ended March 31, 2025                                                        |                               |                    |                   |                    |
| Profit for the period                                                                                               | ₹0.00                         | ₹0.00              | ₹1,520.90         | ₹1,520.90          |
| Other comprehensive income (net of tax)                                                                             |                               |                    |                   |                    |
| Remeasurements of defined benefit liability / (asset)                                                               | ₹0.00                         | ₹0.00              | -₹3.72            | -₹3.72             |
| Total comprehensive income                                                                                          | ₹46.24                        | ₹15,416.17         | ₹5,418.58         | ₹20,880.99         |
| Other movements for the year ended March 31, 2025                                                                   |                               |                    |                   |                    |
| Shares based payment options outstanding (ESOPs exercised)                                                          | -₹13.44                       | ₹13.44             | ₹0.00             | ₹0.00              |
| Shares based payment options outstanding (ESOPs valuation)                                                          | ₹33.27                        | ₹0.00              | ₹0.00             | ₹33.27             |
| QIP expenses                                                                                                        | ₹0.00                         | -₹0.90             | ₹0.00             | -₹0.90             |
| Allotment of Shares under exercise of ESOPs (39,968 Equity Shares of ₹10 each at a Premium of ₹311 per share)       | ₹0.00                         | ₹12.43             | ₹0.00             | ₹12.43             |
| Balance as at March 31, 2025                                                                                        | ₹66.07                        | ₹15,441.13         | ₹5,418.58         | ₹20,925.78         |

The above statement should be read with basis of preparation, significant accounting policies and notes forming part of the Financial Notes to the financial statements. As per our report of even date attached

For and on behalf of Board of Directors of Aether Industries Limited (CIN: L24100GJ2013PLC073434)  
Ashwin Desai, Managing Director — DIN: 00038386  
Rohan Desai, Whole Time Director — DIN: 00038379  
Faiz Nagariya, Chief Financial Officer — PAN: ADBPN8514G  
Chitrarth Parghi, Company Secretary — Mem. No.: F12563  
Place: Surat | Date: May 2, 2025



Annexure IV – Statement of Cash Flows

| Particulars (₹ in MM)                                        | For the year ended March 31, |            |
|--------------------------------------------------------------|------------------------------|------------|
|                                                              | 2025                         | 2024       |
| <strong>A. Cash flow from operating activities</strong>      |                              |            |
| Profit before tax                                            | ₹2,048.91                    | ₹1,140.17  |
| Adjustments to reconcile profit before tax to net cash flow: |                              |            |
| Net unrealised foreign exchange -gain / loss                 | -₹2.69                       | ₹6.91      |
| Finance costs                                                | ₹102.25                      | ₹85.17     |
| Interest income                                              | -₹344.06                     | -₹335.39   |
| Interest from Mutual Funds                                   | ₹0.00                        | -₹5.38     |
| Depreciation and amortisation expenses                       | ₹427.97                      | ₹394.15    |
| Other non-cash items                                         | -₹10.27                      | -₹13.86    |
| Operating profit before working capital changes              | ₹2,222.09                    | ₹1,271.77  |
| Movement in working capital:                                 |                              |            |
| -Increase / decrease in trade receivables                    | -₹340.95                     | ₹290.60    |
| -Increase / decrease in current investments                  | ₹0.00                        | ₹10.01     |
| -Increase / decrease in inventories                          | -₹452.46                     | -₹924.73   |
| -Increase / decrease in other assets                         | -₹395.82                     | -₹517.67   |
| -Increase / decrease in other financial assets               | ₹112.36                      | -₹109.89   |
| Increase / -decrease in trade payables                       | ₹203.18                      | ₹123.06    |
| Increase / -decrease in other current liabilities            | ₹208.41                      | ₹10.15     |
| Cash generated from operations                               | ₹1,556.81                    | ₹153.30    |
| Net income tax                                               | -₹380.16                     | -₹172.90   |
| Net cash from operating activities (A)                       | ₹1,176.65                    | -₹19.60    |
| <strong>B. Cash flow from investing activities</strong>      |                              |            |
| Purchase of property, plant and equipment                    | -₹2,840.86                   | -₹1,374.33 |
| Capital work in progress and capital advance                 | -₹1,379.05                   | -₹1,657.52 |
| Income from current investments                              | ₹344.06                      | ₹38.10     |
| Unsecured loan to subsidiary                                 | -₹272.00                     | -₹994.94   |
| Net cash used in investing activities (B)                    | -₹4,147.85                   | -₹3,988.69 |

The above cash flow statement has been prepared under the 'Indirect Method' set out in Ind AS 7 – on Statement of Cash Flows as notified under Companies (Accounts) Rules, 2015.

For Birju S. Shah & Associates, Chartered Accountants  
ICAI Firm Reg. No.: 131554W  
Birju S. Shah, Proprietor  
Membership No.: 107086 | UDIN: 25107086BMLCCI7271  
Place: Surat | Date: May 2, 2025

| Particulars (₹ in MM)                                                                   | For the year ended March 31, |                            |
|-----------------------------------------------------------------------------------------|------------------------------|----------------------------|
|                                                                                         | 2025                         | 2024                       |
| <strong>C. Cash flow from financing activities</strong>                                 |                              |                            |
| Proceeds / -repayment from working capital facilities (net)                             | -₹94.73                      | ₹1,292.03                  |
| QIP – allotment of shares                                                               | ₹0.00                        | ₹7,500.00                  |
| ESOPs – allotment of shares                                                             | ₹12.83                       | ₹8.58                      |
| QIP / IPO expenses                                                                      | -₹0.90                       | -₹180.63                   |
| Proceeds / -repayment of other financial liabilities                                    | -₹2.44                       | ₹17.76                     |
| Interest paid                                                                           | -₹76.97                      | -₹69.49                    |
| Lease liabilities paid                                                                  | -₹25.28                      | -₹26.23                    |
| Net cash used in financing activities (C)                                               | -₹187.48                     | ₹8,542.03                  |
| <strong>Net increase / -decrease in cash and cash equivalents (A + B + C)</strong>      | <strong>-₹3,158.68</strong>  | <strong>₹4,533.74</strong> |
| Effect of exchange differences on account of foreign currency cash and cash equivalents | ₹0.00                        | ₹0.00                      |
| Cash and cash equivalents at the beginning of the year                                  | ₹5,556.19                    | ₹1,022.45                  |
| Cash and cash equivalents at the end of the year                                        | <strong>₹2,397.51</strong>   | <strong>₹5,556.19</strong> |
| <strong>Notes:</strong>                                                                 |                              |                            |
| Cash on hand                                                                            | ₹1.04                        | ₹1.22                      |
| Balances with bank                                                                      |                              |                            |
| - Current accounts                                                                      | ₹85.40                       | ₹9.15                      |
| - EEFC accounts                                                                         | ₹76.12                       | ₹37.72                     |
| - Cash credit accounts                                                                  | ₹11.14                       | ₹5.45                      |
| Other bank balances                                                                     | ₹2,223.81                    | ₹5,502.65                  |
| Total                                                                                   | <strong>₹2,397.51</strong>   | <strong>₹5,556.19</strong> |
| <strong>Significant non-cash movement in investing and financing activities</strong>    |                              |                            |
| Foreign exchange fluctuations                                                           | ₹10.19                       | ₹14.26                     |
| Acquisition of Right-of-use assets with corresponding impact to lease liabilities       | ₹58.83                       | ₹519.07                    |

The above statement should be read with basis of preparation, significant accounting policies and notes forming part of the Financial Information appearing in Annexure V and Annexure VI as per our report attached. As per our report attached of even date.

For and on behalf of Board of Directors of Aether Industries Limited (CIN: L24100GJ2013PLC073434)  
Ashwin Desai, Managing Director – DIN: 00038386  
Rohan Desai, Whole Time Director – DIN: 00038379  
Faiz Nagariya, Chief Financial Officer – PAN: ADBPN8514G  
Chitrarth Parghi, Company Secretary – Mem. No.: F12563  
Place: Surat | Date: May 2, 2025



# Annexure V – Notes forming part of Financial Statements for the year ended at March 31, 2025

## 1. Reporting entity

Aether Industries Ltd (Aether) was incorporated on January 23, 2013 as a Public Limited Company under the Companies Act, 1956 (as amended in 2013). It is engaged in the business of Specialty Chemicals and Intermediates. The products of the Company find application in various sectors like Pharmaceuticals, Agrochemicals, Specialty, Electronic Chemicals, Material Sciences, High Performance Photography etc. The CIN of the Company is L24100GJ2013PLC073434

Between the year 2013 and early year 2015, the promoters acquired a leased premise at GIDC Industrial Estate, Hojiwala, Sachin, Surat and established their Laboratory, Research & Development and Pilot Plant facilities. The Promoters realized at the conceptual stage itself that Specialty Chemicals is essentially a "Research & Knowledge" driven Industry, and identification of the 'Chemistries' and 'Technologies' before constructing the main plant, through Laboratory/R&D/Pilot facilities was a necessary pre-requisite. The period up to 2015 was hence utilized for installing Lab/R&D/Pilot Plants, developing several products/processes (up to Pilot stage), Company's capabilities through Exhibitions/Conferences etc., effecting trial samples/ supplies, facing rigorous audits from prospective International Buyers etc.

After meeting with a fair degree of success and acceptance from the targeted buyers, the Company acquired about 10500 Sq. Mtrs. of land at the GIDC Industrial Estate, Sachin, Surat in February 2015 for setting up its main plant. The plant stood commissioned as per schedule, and the first stream went into operations in October 2016 / November 2016. Meanwhile, certain modifications/up-gradations/ automations were carried out during implementation.

The Company in January 2023, launched its Site 3 at Plot No. 8202/1, Road No. 8, GIDC Industrial Estate, Sachin, Surat -394230 and launched 5 new products there. Further, the Company also incorporated its 100% Wholly Owned Subsidiary in September 2022, which was named as Aether Speciality Chemicals Limited, with an aim to get more and new products in this subsidiary and save income tax (Income Tax section 115BAB) by starting the production by or before March 31, 2025. The operations started in March 2024 for Aether Speciality Chemicals Limited, at Plot No. 362/363, GIDC Industrial Estate, Sachin Surat - 394230.

The Company was able to carry on with the success with which they started of with the first Project which was ready by November 2016, by way of achieving total revenues of ₹248.60 million in FY 2016-17. The Company has, since then seen an upward trend in revenues, which has resulted in increased margins year on year.

The Company, because of its continuous growth and increasing demands for the products, along with the necessity to launch new products for various applications, has once again planned for yet another expansion. For the said new expansion, the Company has procured Plot of Land in GIDC Industrial Estate, Panoli admeasuring 1,26,200 Sq. Mtrs. and the same is located just 55 Kms or 1 hour drive from the current locations in GIDC, Sachin. The Company has further procured an adjacent land, admeasuring 60,000 Sq. Mtrs. This makes the Site 5 a huge site admeasuring 46 acres in total and the same would be used by the Company for its current and future expansions. The first phase of expansion at this site is already under progress and expected to be operational from Q4 of FY26.

Production capacity of 7896 MTPA (March 31, 2025:

7896 MTPA) is available in our state-of-art and DCS automated manufacturing facilities, Site II (6096 MTPA) and Site III (1800 MTPA). Aether is also a leading CRAMS (contract research and manufacturing services) provider, built upon technology intensive and state-of-art R&D and pilot plant facilities. All of our R&D, pilot, CRAMS, and large scale manufacturing facilities are capable of switching between batch and continuous process technology.

Aether is based on a core competency model of cutting-edge chemistry and technology competencies.

Aether's business models include Large Scale Manufacturing (LSM) of Specialty Chemicals, Contract / Exclusive Manufacturing (CEM) and Contract Research and Manufacturing Services (CRAMS)

## 2. Summary of material accounting policies

The Ind AS Financial Statements comprise of the Audited Statement of Assets and Liabilities as at March 31, 2025 and as at March 31, 2024, the related Audited Ind AS Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, and the Statement of Cash Flows for the year ended March 31, 2025 and March 31, 2024 respectively and the Significant Accounting Policies and Other Financial Information.

These Financial Statements have been prepared as required under the SEBI ICDR Regulations prepared in terms of the requirements of: (a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act"); (b) relevant provisions of the SEBI ICDR Regulations; and (c) the Guidance Note of Reports in Company

Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

### 2.1 Basis of preparation and presentation of financial statements

#### Compliance with Ind AS

The Standalone Financial Statements are prepared in accordance with Indian Accounting Standards ("Ind AS"), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. The Ind AS are prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act.

Effective April 1, 2018, the Company has adopted all the Ind AS and the adoption has been carried out in accordance with Ind AS 101, First Time Adoption of Indian Accounting Standards, with April 1, 2018 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, which was the previous GAAP.

#### A. Basis of preparation

- i) The Audited Ind AS Statement of Assets and Liabilities of the Company as at March 31, 2025 and March 31, 2024 respectively and the Audited Ind AS Statement of Profit and Loss, Audited Ind AS Statement of Changes in Equity and Audited Ind AS Statement of Cash Flows for the year ended March 31, 2025 and March 31, 2024 respectively (hereinafter collectively referred to as "Ind AS Financial Information") have been prepared under Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act as amended from time to time
- (ii) The audited financial statements of the Company



# Annexure V – Notes forming part of Financial Statements for the year ended at March 31, 2025

as at and for the year ended March 31, 2025 prepared in accordance with recognition and measurement principles under Indian Accounting Standard ('Ind AS') 34 "Interim Financial Reporting", specified under section 133 of the Act and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on May 2, 2025.

The Board of Directors approved the Financial Statements as per the Ind AS, for the year ended on March 31, 2025 along with Financial Statements for the year ended March 31, 2024 and authorised to issue the same vide resolution passed in the Board Meeting held on May 2, 2025.

**B. Basis of measurement**

The Financial Statements have been prepared on historical cost basis considering the applicable provisions of Companies Act 2013. The exceptions to the same are:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value; and
- net defined benefit (asset) / liability that are measured at fair value of plan assets less present value of define benefit obligations.

**C. Current and non-current classification of assets and liabilities**

The Assets and Liabilities and the Statement of Profit & Loss, including related notes, are prepared and presented as per the requirements of Schedule III (Division II) to the Companies Act, 2013. All assets and liabilities have been classified and disclosed as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III. Based on the nature of products and the time between the acquisition of assets for processing and

their realization into cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current – non current classification of assets and liabilities.

**D. Functional and presentation currency**

The functional and presentation currency in these Financial Statements is ₹ and all amounts are rounded to nearest millions, up to 2 decimal places, unless otherwise stated.

**E. Use of judgements, estimates and assumptions**

The preparation of Financial Statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, current assets, non-current assets, current liabilities, non-current liabilities and the disclosure of the contingent liabilities on the date of the preparation of Financial Statements. Such estimates are on a reasonable and prudent basis considering all available information, however due to uncertainties about these judgements, estimates and assumptions, the actual results could differ from those estimates. Information about each of these estimates and judgements is included in relevant notes. Any revision to accounting estimates is recognised prospectively in current and future periods.

**Judgements**

Judgements: Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the Financial Statements is included in the following notes:

Note No. 44 – classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial assets are solely payments of principal and interest on the principal amount

outstanding.

**Assumptions and estimation uncertainties**

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material assumptions and estimation uncertainties are provided here, whereas the quantitative break-ups for the same are the notes mentioned below:

- Note 3 and Note 6 – Useful life of depreciable assets, Property, Plant and Equipment and Other Intangible Assets.
- Note 38 – Recognition of contingencies, key assumptions about the likelihood and magnitude of outflow of resources.
- Note 37 – Recognition of tax expenses including deferred tax.
- Note 45 – Defined benefit obligation, key actuarial assumptions.
- Note 12 – Impairment of trade receivables.
- Note 10 – Valuation of Inventories.

**Going concern assumption**

These Financial Statements have been prepared on a going concern basis. The management has, given the significant uncertainties arising out of the various situations, assessed the cash flow projections and available liquidity for a period of at least twelve months from the date of this Financial Statements. Based on this evaluation, management believes that the Company will be able to continue as a "going concern" in the foreseeable future and for a period of at least twelve months from the date of these Financial Statements based on the following:

- Expected future operating cash flows based on business projections, and
- Available credit facilities with its bankers

Based on the above factors, the management has

concluded that the "going concern" assumption is appropriate. Accordingly, the Financial Statements do not include any adjustments regarding the recoverability and classification of the carrying amount of assets and classification of liabilities that might result, should the Company be unable to continue as a going concern.

On November 29, 2023, an accidental fire broke out at our Manufacturing Facility – II which is situated at Plot No. 8203, Road No. 8, GIDC Industrial Estate, Sachin, Surat – 394230, Gujarat (India).

This fire accident has adversely impacted the Site II, mainly damaging Plant 2 (fully), Plan 1 and Tank Farm (partially). This Site – II had been contributing the major share to revenue from operations and hence, the fire accident has hampered the revenues of the Company in FY 2023-24, as the entire Site –II was closed for at least three months. Revocation permission for unaffected plants at Site – II were received from GPCB and DISH, which helped the Company revive the Site for last month only.

The Company has, due to this fire accident, suffered loss of Fixed Assets (Plant & Machinery, Equipment, Furniture & Fixtures, and others), Inventories (mostly Semi Finished and Finished Goods at the shop floor) and Loss of Profit.

The Company is adequately insured to the extent of damage occurred in the fire accident, including impacted property, plant & equipment, inventories and the loss of profit. The total claim lodged by the Company amounts to ₹1,000 million towards loss of stocks, loss of assets and loss of profit.

The impact of loss is being assessed for the fixed assets and the survey is ongoing by the insurance



# Annexure V – Notes forming part of Financial Statements for the year ended at March 31, 2025

surveyor, hence the loss is yet to be ascertained. Loss of inventory is ₹138.97 million due to this fire accident, which has been assessed and written off for in FY 2023-24 itself.

The Company has already received a claim of ₹210 million towards loss of assets, being on account payment on submission of documents of assets lost by fire. The Company has also received a claim of ₹112.46 million towards claim for loss of stocks. The further assessment of claims is in progress and the Company is confident to get the same settled from insurance company in FY 25-26.

This fire accident has not affected our "Going Concern" assumption. Accordingly, the Company will continue as a going concern.

### Reclassification

The Company reclassifies comparative amounts, unless impracticable and whenever the Company changes the presentation or classification of items in its financial statements materially. No such material reclassification has been made during the year.

### 2.2 Property, plant and equipment

#### Recognition and measurement

The Company has elected to continue with the carrying value of Property, Plant and Equipment ('PPE') recognised as of transition date measured as per the Previous GAAP and use that carrying value as its deemed cost of the PPE as on the transition date.

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes purchase price (after deducting trade discount / rebate), non-refundable import duties and taxes, cost of replacing the component parts, borrowing costs and other directly

attributable cost to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Spares parts procured along with the Plant and Equipment or subsequently having value of Rs. 50,000 or more individually which meets the recognition criteria of PPE are capitalized and added to the carrying amount of such items. The carrying amount of those spare parts that are replaced are de-recognised when no future economic benefits are expected from their use of upon disposal. If the cost of the replaced parts is not available, the estimated cost of similar new parts is used as an indication of what the cost of the existing part was when the item was acquired.

An item of PPE is de-recognised on disposal or when no future economic benefits are expected from use. Any profit or loss arising on the de-recognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

#### Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is de-recognised. The cost of the day-to-day servicing the property, plant and equipment are recognised in the statement of profit and loss as incurred.

#### Disposal

An item of property, plant and equipment is de-recognised upon the disposal or when no future benefits are expected from its use or disposal. Gains

and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income / expenses in the statement of profit and loss.

#### Depreciation

The depreciable amount of the asset is determined after deducting its residual value. Where the residual value of an asset increases to an amount equal to or greater than the asset's carrying amount, no depreciation charge is recognised till the asset's residual value decreases below the asset's carrying amount. Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the intended manner. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale in accordance with IND AS 105 and the date that the asset is de-recognised.

The insurance claim is being assessed at the moment and hence, the depreciation as per the Companies Act, 2013 and the Income Tax Act, 1961 is being continued to charge on the entire book value and written down value respectively.

The management has estimated the useful life of the Tangible Assets as mentioned below:

| Asset class                             | Years |
|-----------------------------------------|-------|
| Factory building                        | 30    |
| Other building                          | 10    |
| Plant and machinery                     | 20    |
| Plant and machinery (Pipelines)         | 15    |
| Office equipment                        | 5     |
| Factory equipment                       | 10    |
| Computer equipment (servers & networks) | 6     |

| Asset class                 | Years |
|-----------------------------|-------|
| Computer equipment (others) | 3     |
| Other equipment             | 10    |
| Furniture & fixtures        | 10    |
| Vehicle equipment           | 8     |

#### Impairments of non-financial assets

The Company assesses at each balance sheet date whether there is any indication that an asset or cash generating unit (CGU) may be impaired. Indefinite life intangibles are subject to a review for impairment annually or more frequently if events or circumstances indicate that it is necessary. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal or its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining the fair value less costs of disposal, recent market transactions are considered.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount, Impairment losses are recognised in the statement of profit and loss.

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined,



# Annexure V – Notes forming part of Financial Statements for the year ended at March 31, 2025

net of depreciation or amortisation, if no impairment loss had been recognised.

### 2.3 Intangible assets

#### Recognition and measurement

Intangible assets are recognised when the asset is identifiable, is within the control of the Company, it is probable that the economic benefits that are attributable to the asset will flow to the Company and cost of the asset can be reliably measured.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Intangible assets acquired by the Company that have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually, either individually or at the cash-generating unit level.

Expenditure on Research activities is recognised in the statement of Profit and Loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to complete development and to use or sell the asset.

Intangible assets which comprise of the development expenditure incurred on new product and expenditure incurred on acquisition of user licenses for computer software are recorded at their acquisition price.

#### Subsequent measurement

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in

the specific asset to which it relates.

#### Amortization

The useful lives of intangible sets are assessed as either finite of indefinite.

Intangible assets i. e., computer software is amortized on a straight-line basis over the period of expected future benefits commencing from the date the asset is available for its use.

The management has estimated the useful life of the Intangible Assets as mentioned below:

| Asset class         | Years |
|---------------------|-------|
| Software & licenses | 6     |
| Trade marks         | 4     |
| Other assets        | 4     |

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

Intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

#### Disposal

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is de-recognized.

### 2.4 Financial assets

#### A. Fair value assessment

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly

transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of asset and liability if market participants would take those into consideration. Fair value for measurement and / or disclosure purposes in these Financial Statements is determined in such basis except for transactions in the scope of Ind AS 2, 17 and 36. Normally at initial recognition, the transaction price is the best evidence of fair value.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques those are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All financial assets and financial liabilities for which fair value is measured or disclosed in the Financial Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

#### B. Subsequent measurement

For purposes of subsequent measurement financial assets are classified in three categories:

- Financial assets measured at amortized cost
- Financial assets at fair value through OCI
- Financial assets at fair value through profit or loss

**C. Financial assets measured at amortised cost**  
Financial assets are measured at amortized cost if the financials asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financials assets are amortized using the effective interest rate ('EIR') method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit And Loss. The losses arising from impairment are recognized in the Statement of Profit And Loss.

**D. Financial assets at fair value through OCI ('FVTOCI')**  
Financial assets are measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At initial recognition, an irrevocable election is made (on an instrument-by-instrument basis to designate investments in equity instruments other than held for trading purpose at FVTOCI. Fair value changes are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income,



# Annexure V – Notes forming part of Financial Statements for the year ended at March 31, 2025

impairment losses and reversals and foreign exchange gain or loss in the Statement of Profit And Loss. On de-recognition of the financial asset other than equity instruments designated as FVTOCI, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss.

**E. Financial assets at fair value through profit or loss ('FVTPL')**

Any financial asset that does not meet the criteria for classification as at amortized cost or as financial assets at fair value through other comprehensive income is classified as financial assets at fair value through profit or loss. Further, financial assets at fair value through profit or loss also include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets at fair value through profit or loss are fair valued at each reporting date with all the changes recognized in the Statement of Profit And Loss.

**F. De-recognition**

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the financial asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay.

**G. Impairment of financial assets**

The Company assesses impairment based on expected credit loss ('ECL') model on the following:

- Financial assets that are measured at amortised cost; and
- Financial assets measured at FVTOCI

ECL is measured through a loss allowance on a following basis:

- The 12 month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within 12 months after the reporting date)
- Full life time expected credit losses (expected credit losses that result from all possible default events over the life of financial instruments)

**2.5 Financial liabilities**

The Company's financial liabilities include trade payable.

**A. Initial recognition and measurement**

All financial liabilities at initial recognition are classified as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities classified at amortized cost are recognized initially at fair value net of directly attributable transaction costs. Any difference between the proceeds (net of transaction costs) and the fair value at initial recognition is recognised in the Statement of Profit And Loss.

**B. Subsequent measurement**

The subsequent measurement of financial liabilities depends upon the classification as described below:

**a. Financial liabilities classified at amortised cost**  
Financial Liabilities that are not held for trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or

costs that are an integral part of the EIR. Interest expense that is not capitalized as part of costs of assets is included as finance costs in the Statement of Profit And Loss.

**b. Financial Liabilities classified as Fair value through profit And loss (FVTPL)**

Financial liabilities classified as FVTPL includes financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Financial liabilities designated upon initial recognition at FVTPL only if the criteria in Ind AS 109 is satisfied.

Exports benefits are accounted for in the year of exports based on the eligibility and when there is certainty of receiving the same.

**C. De-recognition**

A financial liability is de-recognised when the obligation under the liability is discharged / cancelled / expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit And Loss.

**D. Offsetting of financial instruments**  
Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the

liabilities simultaneously.

Other incomes, other than interest and dividend are recognized when the same are due to be received and right to receive such other income is established.

**2.6 Share Capital and Share Premium**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction net of tax from the proceeds. Par value of the equity share is recorded as share capital and the amount received in excess of the par value is classified as share premium.

**2.7 Dividend distribution to equity shareholders**

The Company recognizes a liability to make cash distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in other equity.

**2.8 Cash flows and cash and cash equivalents**

Statement of cash flows is prepared in accordance with the indirect method prescribed in the relevant IND AS. For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, cheques and drafts on hand, deposits held with Banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. However, Bank overdrafts are to be shown within borrowings in current liabilities in the balance sheet for the purpose of presentation.

The Company is banking with the below mentioned Banks for its Working Capital and Banking



# Annexure V – Notes forming part of Financial Statements for the year ended at March 31, 2025

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>requirements:</p> <p>1. ICICI Bank Ltd.</p> <p>2. HDFC Bank Ltd.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <p>Contingent Assets are not recognized, however, disclosed in financial statement when inflow of economic benefits is probable.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <p>to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <p>adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <p>2.9 Provisions, contingent liabilities and contingent assets</p> <p>Provisions are recognised when there is a present legal or constructive obligation as a result of a past event and it is probable (i.e. more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the balance sheet date. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a standalone asset only when the reimbursement is virtually certain.</p> | <p>Claim receivable from insurance company, on account of Fire Accident on November 29, 2023 for fixed assets and loss of profit, is still under assessment and hence, the same is not recognised nor contingent asset is created in FY 2023-24.</p> <p>2.10 Revenue recognition and other income</p> <p>Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.</p> | <p>– the contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified</p> <p>– the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and</p> <p>– the Company has the right to direct the use of asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:</p> <p>    # the Company has the right to operate the asset; or</p> <p>    # the Company designed the asset in a way that predetermines how and for what purpose it will be used.</p> | <p>The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets redetermined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.</p> <p>The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rates as the discount rate.</p> |
| <p>If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as finance costs.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                            | <p>Revenue from sale of goods is recognized, when the control is transferred to the buyer, as per the terms of the contracts and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <p>At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <p>Lease payments included in the measurement of the lease liability comprise the following:</p> <p>– fixed payments, including in-substance fixed payments.</p> <p>– variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.</p> <p>– amounts expected to e payable under a residual value guarantee; and</p> <p>– the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the</p>                                                                                                                                                                                                                                                                                                                               |
| <p>Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist when a contract under which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received from it.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                           | <p>Interest income or expense is recognised using the effective interest rate method. The ‘effective interest rate’ is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial instrument to:</p> <p>– the gross carrying amount of the financial asset; or</p> <p>– the amortised cost of the financial liability</p>                                                                                                                                                                                                                                                                                                                                                | <p>Company as a lessee</p> <p>The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <p>Contingent liabilities are disclosed on the basis of judgment of management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <p>2.11 Leases</p> <p>At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |



# Annexure V – Notes forming part of Financial Statements for the year ended at March 31, 2025

Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is change in future lease payments arising from a change in an index or rate, if there is change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in statement of profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

Leasehold land is amortised over the period of lease remaining as on the date of purchase.

**Short-term leases and leases of low-value assets:**  
The Company has elected not to recognise right-of-use assets and lease liability for the short-term leases that have lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with such leases as an expense on a straight-line basis over the lease term.

**2.12 Income taxes**  
Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

**Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and the tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the country where the Company operates and generates taxable income. Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

**Deferred tax**  
Deferred tax is provided using the balance sheet method on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss,
- Taxable temporary differences arising on the initial recognition of goodwill.
- Temporary differences related to investments in subsidiaries, associates, and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is

probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses (including unabsorbed depreciation) can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and

the same taxation authority.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

**2.13 Current versus non-current classification**  
The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

a) An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

b) A liability is current when:

- It is expected to be settled in the normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

c) Deferred tax assets and liabilities are classified as non-current assets and liabilities.



# Annexure V – Notes forming part of Financial Statements for the year ended at March 31, 2025

d) The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

2.14 Employee benefits

(i) Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Un-discounted value of benefits such as salaries, incentives, allowances and bonus are recognized in the period in which the employee renders the related service.

(ii) Long term employee benefits

Defined contribution plans

The Company contributes to the employee's approved provident fund scheme. The Company's contribution paid/payable under the scheme is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related services.

Defined benefit plans

Gratuity Liability is a defined benefit obligation and is provided on the basis of an actuarial valuation model made at the end of each quarter. The Gratuity Liability is funded by the Company by maintaining the funds with a separate Asset Management Company, i. e., LIC of India. Contributions to such fund is charged to Profit & Loss Account. Actuarial Valuation of the Gratuity is done at the end of the Financial Year and accounted for accordingly.

2.15 Trade receivables

Trade Receivables are stated after writing off debts considered as bad. Adequate provision is made for debts considered as doubtful.

2.16 Inventories

- (i) Raw Materials, Work in Progress, Finished Goods, Packing Materials, Stores, Spares and Consumables are carried at the lower of cost and net realisable value.
- (ii) In determining the cost of Raw Materials, Packing Materials, Stores, Spares and Consumables, FIFO Method is used. Cost of Inventory comprises of all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.
- iii) Cost of Finished Goods includes the cost of Raw Materials, Packing Materials, an appropriate share of fixed and variable production overheads, indirect taxes as applicable and other costs incurred in bringing the inventories to their present location and condition.
- iv) Cost of Stock in Trade procured for specific projects is assigned by specific identification of individual costs of each item.

2.17 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset, that necessarily takes substantial period of time to get ready for its intended use or sale, are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest, exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other costs that an entity incurs in connection with the borrowings of the funds.

2.18 Earnings per share

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements and stock split in equity shares issued

during the year and excluding treasury shares. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares and stock split, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS adjust the figures used in the determination of basic EPS to consider.

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of dilutive potential equity shares.

2.19 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors of the Company have been identified as being the Chief Operating Decision Maker by the management of the Company.

2.20 Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currency of the Company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monitory assets and liabilities that are measured at fair value in a foreign currency are translated into the

functional currency at the exchange rate when the fair value was determined. Non-monitory items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in the Statement of Profit and Loss.

2.21 Government grants and subsidies

Grants / subsidies that compensate the Company for expenses incurred are recognised in the Statement of Profit and Loss as other operating income on a systematic basis in the periods in which such expenses are recognised.

Export incentives

Export incentives under various schemes notified by the government are recognised when no significant uncertainties as to the amount of consideration that would be derived and that the Company will comply with the conditions associated with the grant and ultimate collection exist.

2.22 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA" notifies new standards or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules as amended from time to time. There are no such recently issued standards or amendments to the existing standards for which the impact on the Financial Statements is required to be disclosed.



Annexure V – Notes forming part of Financial Statements

| 3. Property, plant and equipment |  |  |  |  | Gross Block         |           |           |                     | Depreciation        |           |           |                     | Net Block           |                     |
|----------------------------------|--|--|--|--|---------------------|-----------|-----------|---------------------|---------------------|-----------|-----------|---------------------|---------------------|---------------------|
| Particulars (₹ in MM)            |  |  |  |  | As at 01 April 2024 | Additions | Disposals | As at 31 March 2025 | As at 01 April 2024 | Additions | Disposals | As at 31 March 2025 | As at 31 March 2024 | As at 31 March 2025 |
| Freehold land                    |  |  |  |  | ₹12.43              | ₹201.03   | ₹0.00     | ₹213.46             | ₹0.00               | ₹0.00     | ₹0.00     | ₹0.00               | ₹12.43              | ₹213.46             |
| Factory building                 |  |  |  |  | ₹826.63             | ₹141.76   | ₹0.00     | ₹968.39             | ₹73.84              | ₹27.06    | ₹0.00     | ₹100.90             | ₹752.79             | ₹867.49             |
| Other building                   |  |  |  |  | ₹21.11              | -         | ₹0.00     | ₹21.11              | ₹14.54              | ₹2.01     | ₹0.00     | ₹16.54              | ₹6.57               | ₹4.57               |
| Plant and machinery              |  |  |  |  | ₹5,246.03           | ₹2,219.79 | ₹0.00     | ₹7,465.83           | ₹657.39             | ₹253.03   | ₹0.00     | ₹910.42             | ₹4,588.65           | ₹6,555.41           |
| Office equipment                 |  |  |  |  | ₹68.85              | ₹12.00    | ₹0.00     | ₹80.85              | ₹24.73              | ₹11.96    | ₹0.00     | ₹36.69              | ₹44.12              | ₹44.16              |
| Factory equipment (electric)     |  |  |  |  | ₹545.43             | ₹206.64   | ₹0.00     | ₹752.07             | ₹118.52             | ₹55.61    | ₹0.00     | ₹174.13             | ₹426.91             | ₹577.94             |
| Computer equipment               |  |  |  |  | ₹103.57             | ₹20.13    | ₹0.00     | ₹123.71             | ₹49.59              | ₹21.39    | ₹0.00     | ₹70.98              | ₹53.98              | ₹52.72              |
| Other equipment (Lab)            |  |  |  |  | ₹198.31             | ₹20.90    | ₹0.00     | ₹219.21             | ₹51.98              | ₹18.07    | ₹0.00     | ₹70.04              | ₹146.33             | ₹149.17             |
| Furniture and fixtures           |  |  |  |  | ₹65.48              | ₹12.07    | ₹0.00     | ₹77.55              | ₹17.57              | ₹6.40     | ₹0.00     | ₹23.96              | ₹47.91              | ₹53.59              |
| Vehicle equipment                |  |  |  |  | ₹22.07              | ₹1.84     | ₹0.00     | ₹23.91              | ₹5.08               | ₹2.56     | ₹0.00     | ₹7.64               | ₹16.99              | ₹16.28              |
| Total                            |  |  |  |  | ₹7,109.92           | 2,836.17  | -         | ₹9,946.09           | ₹1,013.23           | ₹398.09   | ₹0.00     | ₹1,411.32           | ₹6,096.69           | ₹8,534.77           |
|                                  |  |  |  |  | Gross Block         |           |           |                     | Depreciation        |           |           |                     | Net Block           |                     |
| Particulars (₹ in MM)            |  |  |  |  | As at 01 April 2023 | Additions | Disposals | As at 31 March 2024 | As at 01 April 2023 | Additions | Disposals | As at 31 March 2025 | As at 31 March 2023 | As at 31 March 2024 |
| Freehold Land                    |  |  |  |  | ₹0.00               | ₹12.43    | ₹0.00     | ₹12.43              | ₹0.00               | ₹0.00     | ₹0.00     | ₹0.00               | ₹0.00               | ₹12.43              |
| Factory building                 |  |  |  |  | ₹677.83             | ₹148.80   | ₹0.00     | ₹826.63             | ₹50.06              | ₹23.78    | ₹0.00     | ₹73.84              | ₹627.77             | ₹752.79             |
| Other building                   |  |  |  |  | ₹21.11              | -         | ₹0.00     | ₹21.11              | ₹12.53              | ₹2.01     | ₹0.00     | ₹14.54              | ₹8.58               | ₹6.57               |
| Plant and machinery              |  |  |  |  | ₹4,507.37           | ₹738.67   | ₹0.00     | ₹5,246.03           | ₹410.00             | ₹247.38   | ₹0.00     | ₹657.39             | ₹4,097.36           | ₹4,588.65           |
| Office equipment                 |  |  |  |  | ₹45.35              | ₹23.50    | ₹0.00     | ₹68.85              | ₹16.38              | ₹8.36     | ₹0.00     | ₹24.73              | ₹28.98              | ₹44.12              |
| Factory equipment (electric)     |  |  |  |  | ₹463.51             | ₹81.92    | ₹0.00     | ₹545.43             | ₹70.96              | ₹47.56    | ₹0.00     | ₹118.52             | ₹392.56             | ₹426.91             |
| Computer equipment               |  |  |  |  | ₹59.57              | ₹44.00    | ₹0.00     | ₹103.57             | ₹36.51              | ₹13.08    | ₹0.00     | ₹49.59              | ₹23.06              | ₹53.98              |
| Other equipment (Lab)            |  |  |  |  | ₹148.14             | ₹50.17    | ₹0.00     | ₹198.31             | ₹38.09              | ₹13.89    | ₹0.00     | ₹51.98              | ₹110.05             | ₹146.33             |
| Furniture and fixtures           |  |  |  |  | ₹49.22              | ₹16.26    | ₹0.00     | ₹65.48              | ₹12.38              | ₹5.19     | ₹0.00     | ₹17.57              | ₹36.85              | ₹47.91              |
| Vehicle equipment                |  |  |  |  | ₹11.50              | ₹10.58    | ₹0.00     | ₹22.07              | ₹3.16               | ₹1.92     | ₹0.00     | ₹5.08               | ₹8.34               | ₹16.99              |
| Total                            |  |  |  |  | ₹5,983.61           | ₹1,126.31 | ₹0.00     | ₹7,109.92           | ₹650.07             | ₹363.16   | ₹0.00     | ₹1,013.23           | ₹5,333.54           | ₹6,096.69           |

\*\*With respect to the fire accident dated November 29, 2023, the insurance claim process is progressive at the moment. The insurance claim is being assessed at the moment and hence, the impairment has not been charged.  
Any deficit/ surplus in the amount of insurance claim shall be recorded as expense/ income upon final settlement of claim.

| Description                                                                                                           | As at 31 March 2025 | As at 31 March 2024       |
|-----------------------------------------------------------------------------------------------------------------------|---------------------|---------------------------|
| Title deeds held in the name of                                                                                       |                     | Aether Industries Limited |
| Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director | NA                  |                           |



Annexure V

|                                                                                                                   |                      |                     |                                |                     |
|-------------------------------------------------------------------------------------------------------------------|----------------------|---------------------|--------------------------------|---------------------|
| 4. Capital work-in-progress                                                                                       |                      |                     |                                |                     |
| Particulars (₹ in MM)                                                                                             | Particulars          |                     |                                |                     |
|                                                                                                                   | As at 01 April 2024  | Additions           | Disposals                      | As at 31 March 2025 |
| Capital work-in-progress                                                                                          | ₹2,142.60            | ₹3,907.77           | -₹2,719.68                     | ₹3,330.70           |
| Total                                                                                                             | ₹2,142.60            | ₹3,907.77           | -₹2,719.68                     | ₹3,330.70           |
| Additional disclosures as per Schedule - III requirement:                                                         |                      |                     |                                |                     |
| Particulars (₹ in MM)                                                                                             | Projects in Progress |                     | Projects temporarily suspended |                     |
|                                                                                                                   | As at 31 March 2025  | As at 31 March 2024 | As at 31 March 2025            | As at 31 March 2024 |
| Less than 1 Year                                                                                                  | ₹2,081.25            | ₹2,041.17           | ₹0.00                          | ₹0.00               |
| 1-2 Years                                                                                                         | ₹1,249.45            | ₹101.42             | ₹0.00                          | ₹0.00               |
| 2-3 Years                                                                                                         | ₹0.00                | ₹0.00               | ₹0.00                          | ₹0.00               |
| More than 3 Years                                                                                                 | ₹0.00                | ₹0.00               | ₹0.00                          | ₹0.00               |
| Total                                                                                                             | ₹3,330.70            | ₹2,142.60           | ₹0.00                          | ₹0.00               |
| Note: There are no projects as at reporting date which has exceeded cost as compare to its original approved plan |                      |                     |                                |                     |
| 5. Right-of-use assets                                                                                            |                      |                     |                                |                     |
| Particulars (₹ in MM)                                                                                             | Gross Block          |                     |                                |                     |
|                                                                                                                   | As at 01 April 2024  | Additions           | Disposals                      | As at 31 March 2025 |
| Leasehold Land                                                                                                    | ₹1,220.63            | ₹0.87               | ₹0.00                          | ₹1,221.50           |
| Properties (Land & Building)                                                                                      | ₹172.12              | ₹57.96              | -₹29.94                        | ₹200.14             |
| Total Assets                                                                                                      | ₹1,392.75            | ₹58.83              | -₹29.94                        | ₹1,421.64           |
| 6. Intangible Assets                                                                                              |                      |                     |                                |                     |
| Particulars (₹ in MM)                                                                                             | Gross Block          |                     |                                |                     |
|                                                                                                                   | As at 01 April 2023  | Additions           | Disposals                      | As at 31 March 2024 |
| Leasehold Land                                                                                                    | ₹986.00              | ₹247.06             | -₹12.43                        | ₹1,220.63           |
| Properties (Land & Building)                                                                                      | ₹183.53              | ₹0.00               | -₹11.41                        | ₹172.12             |
| Total Assets                                                                                                      | ₹1,169.53            | ₹247.06             | -₹23.84                        | ₹1,392.75           |

|                                                                                                                   |  |                                |                     |                     |                     |
|-------------------------------------------------------------------------------------------------------------------|--|--------------------------------|---------------------|---------------------|---------------------|
| Particulars (₹ in MM)                                                                                             |  |                                |                     |                     |                     |
| As at 01 April 2023                                                                                               |  | Additions                      | Disposals           | As at 31 March 2025 | As at 31 March 2024 |
| Capital work-in-progress                                                                                          |  | ₹371.66                        | ₹3,185.57           | -₹1,414.63          | ₹2,142.60           |
| Total                                                                                                             |  | ₹371.66                        | ₹3,185.57           | -₹1,414.63          | ₹2,142.60           |
| Additional disclosures as per Schedule - III requirement:                                                         |  |                                |                     |                     |                     |
| Projects in Progress                                                                                              |  | Projects temporarily suspended |                     |                     |                     |
| As at 31 March 2025                                                                                               |  | As at 31 March 2024            | As at 31 March 2025 | As at 31 March 2024 |                     |
| Less than 1 Year                                                                                                  |  | ₹2,081.25                      | ₹2,041.17           | ₹0.00               | ₹0.00               |
| 1-2 Years                                                                                                         |  | ₹1,249.45                      | ₹101.42             | ₹0.00               | ₹0.00               |
| 2-3 Years                                                                                                         |  | ₹0.00                          | ₹0.00               | ₹0.00               | ₹0.00               |
| More than 3 Years                                                                                                 |  | ₹0.00                          | ₹0.00               | ₹0.00               | ₹0.00               |
| Total                                                                                                             |  | ₹3,330.70                      | ₹2,142.60           | ₹0.00               | ₹0.00               |
| Note: There are no projects as at reporting date which has exceeded cost as compare to its original approved plan |  |                                |                     |                     |                     |
| 7. Right-of-use Assets                                                                                            |  |                                |                     |                     |                     |
| Particulars (₹ in MM)                                                                                             |  | Amortisation                   |                     | Net Block           |                     |
| As at 01 April 2024                                                                                               |  | Additions                      | Disposals           | As at 31 March 2025 | As at 31 March 2024 |
| Leasehold Land                                                                                                    |  | ₹23.72                         | ₹12.50              | ₹36.23              | ₹1,196.91           |
| Properties (Land & Building)                                                                                      |  | ₹42.34                         | -₹15.95             | ₹42.34              | ₹129.78             |
| Total Assets                                                                                                      |  | ₹66.06                         | -₹15.95             | ₹78.57              | ₹1,326.68           |
| 8. Intangible Assets                                                                                              |  |                                |                     |                     |                     |
| Particulars (₹ in MM)                                                                                             |  | Amortisation                   |                     | Net Block           |                     |
| As at 01 April 2023                                                                                               |  | Additions                      | Disposals           | As at 31 March 2024 | As at 31 March 2023 |
| Leasehold Land                                                                                                    |  | ₹11.46                         | ₹12.26              | ₹23.72              | ₹974.54             |
| Properties (Land & Building)                                                                                      |  | ₹35.51                         | -₹10.61             | ₹42.34              | ₹148.02             |
| Total Assets                                                                                                      |  | ₹46.97                         | -₹10.61             | ₹66.06              | ₹1,122.55           |



| 6. Intangibles assets |                     |           |           |                     |
|-----------------------|---------------------|-----------|-----------|---------------------|
| Particulars (₹ in MM) | Gross Block         |           |           |                     |
|                       | As at 01 April 2024 | Additions | Disposals | As at 31 March 2025 |
| Computer Software     | ₹15.67              | ₹3.48     | ₹0.00     | ₹19.15              |
| Others                | ₹2.40               | ₹0.00     | ₹0.00     | ₹2.40               |
| Total                 | ₹18.07              | ₹3.48     | ₹0.00     | ₹21.54              |

| Amortisation          |                     |           |           |                     |                     |
|-----------------------|---------------------|-----------|-----------|---------------------|---------------------|
| Particulars (₹ in MM) | As at 01 April 2024 | Additions | Disposals | As at 31 March 2025 | As at 31 March 2024 |
|                       |                     |           |           |                     |                     |
| Computer Software     | ₹10.75              | ₹1.20     | ₹0.00     | ₹11.94              | ₹4.93               |
| Others                | ₹1.83               | ₹0.23     | ₹0.00     | ₹2.06               | ₹0.57               |
| Total                 | ₹12.57              | ₹1.43     | ₹0.00     | ₹14.01              | ₹5.50               |

| Gross Block           |                     |           |           |                     |
|-----------------------|---------------------|-----------|-----------|---------------------|
| Particulars (₹ in MM) | As at 01 April 2023 | Additions | Disposals | As at 31 March 2024 |
|                       |                     |           |           |                     |
| Computer Software     | ₹14.71              | ₹0.96     | ₹0.00     | ₹15.67              |
| Others                | ₹2.40               | ₹0.00     | ₹0.00     | ₹2.40               |
| Total                 | ₹17.11              | ₹0.96     | ₹0.00     | ₹18.07              |

| Amortisation          |                     |           |           |                     |                     |
|-----------------------|---------------------|-----------|-----------|---------------------|---------------------|
| Particulars (₹ in MM) | As at 01 April 2023 | Additions | Disposals | As at 31 March 2024 | As at 31 March 2023 |
|                       |                     |           |           |                     |                     |
| Computer Software     | ₹9.70               | ₹1.05     | ₹0.00     | ₹10.75              | ₹5.01               |
| Others                | ₹1.58               | ₹0.25     | ₹0.00     | ₹1.83               | ₹0.82               |
| Total                 | ₹11.27              | ₹1.30     | ₹0.00     | ₹12.57              | ₹5.83               |

| 7. Intangible assets under development |                     |           |           |                     |
|----------------------------------------|---------------------|-----------|-----------|---------------------|
| Particulars (₹ in MM)                  | Particulars         |           |           |                     |
|                                        | As at 01 April 2024 | Additions | Disposals | As at 31 March 2025 |
| Computer Software                      | ₹50.19              | ₹18.41    | -₹3.20    | ₹65.40              |
| Total                                  | ₹50.19              | ₹18.41    | -₹3.20    | ₹65.40              |

| Particulars           |                     |           |           |                     |
|-----------------------|---------------------|-----------|-----------|---------------------|
| Particulars (₹ in MM) | As at 01 April 2023 | Additions | Disposals | As at 31 March 2024 |
|                       |                     |           |           |                     |
| Computer Software     | ₹0.00               | ₹50.19    | ₹0.00     | ₹50.19              |
| Total                 | ₹0.00               | ₹50.19    | ₹0.00     | ₹50.19              |



Annexure V – Notes forming part of Financial Statements

| Particulars (₹ in MM)                                                                                            | As at March 31,  |               |
|------------------------------------------------------------------------------------------------------------------|------------------|---------------|
|                                                                                                                  | 2025             | 2024          |
| <b>8. Investments</b>                                                                                            |                  |               |
| <b>Unquoted equity shares</b>                                                                                    |                  |               |
| Investments in subsidiaries (measured at cost)                                                                   |                  |               |
| 1,00,200 (31 March 2024: 50,000) equity shares of Aether Speciality Chemicals Limited, of ₹10 each fully paid-up | ₹1,000.48        | ₹0.50         |
| Other investments (measured at cost)                                                                             |                  |               |
| 9 (31 March 2024: 9) equity shares of Sachin Industrial Co. Op. Society Limited, of ₹500 each fully paid-up      | ₹0.00            | ₹0.00         |
| 1,16,851 (31 March 2024: 1,16,851 ) equity shares of Globe Enviro Care Limited, of ₹10 each fully paid-up        | ₹2.09            | ₹2.09         |
|                                                                                                                  | <b>₹1,002.58</b> | <b>₹2.60</b>  |
| Aggregate value of unquoted investments                                                                          | ₹1,002.58        | ₹2.60         |
| Aggregate amount of impairment in value of investments                                                           | ₹0.00            | ₹0.00         |
| <b>9. Other financial assets</b>                                                                                 |                  |               |
| (Unsecured, considered good)                                                                                     |                  |               |
| Security deposits                                                                                                | ₹51.92           | ₹90.90        |
|                                                                                                                  | <b>₹51.92</b>    | <b>₹90.90</b> |
| <b>10. Other non-current assets</b>                                                                              |                  |               |
| (Unsecured, considered good)                                                                                     |                  |               |
| Capital advances                                                                                                 | ₹194.17          | ₹18.42        |
| Prepaid expenses                                                                                                 | ₹0.60            | ₹2.65         |
|                                                                                                                  | <b>₹194.77</b>   | <b>₹21.07</b> |
| <b>11. Inventories</b>                                                                                           |                  |               |
| Raw material                                                                                                     | ₹838.34          | ₹835.04       |
| Work in progress                                                                                                 | ₹2,010.24        | ₹1,670.81     |
| Finished goods                                                                                                   | ₹641.13          | ₹492.61       |
| Stores and spares                                                                                                | ₹87.15           | ₹59.47        |
| Others :                                                                                                         |                  |               |
| Packing Materials                                                                                                | ₹29.34           | ₹22.42        |

| Particulars (₹ in MM)                                                                                                                                                                                                                                                                                                                                      | As at March 31,  |                  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|------------------|
|                                                                                                                                                                                                                                                                                                                                                            | 2025             | 2024             |
| <b>11. Inventories</b>                                                                                                                                                                                                                                                                                                                                     |                  |                  |
| Research and development materials                                                                                                                                                                                                                                                                                                                         | ₹258.64          | ₹332.04          |
|                                                                                                                                                                                                                                                                                                                                                            | <b>₹3,864.85</b> | <b>₹3,412.39</b> |
| Notes:                                                                                                                                                                                                                                                                                                                                                     |                  |                  |
| (1) Raw Materials, Work in Progress, Finished Goods, Packing Materials, Stores, Spares and Consumables are carried at the lower of cost and net realisable value.                                                                                                                                                                                          |                  |                  |
| (2) In determining the cost of Raw Materials, Packing Materials, Stores, Spares and Consumables, FIFO Method is used. Cost of Inventory comprises of all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition. |                  |                  |
| (3) Cost of Finished Goods includes the cost of Raw Materials, Packing Materials, an appropriate share of fixed and variable production overheads, indirect taxes as applicable and other costs incurred in bringing the inventories to their present location and condition.                                                                              |                  |                  |
| (4) Cost of Stock in Trade procured for specific projects is assigned by specific identification of individual costs of each item.                                                                                                                                                                                                                         |                  |                  |
| (5) Inventories are pledge / hypothecated as primary security with the bankers (lenders) against the Working Capital Facilities availed by the Company.                                                                                                                                                                                                    |                  |                  |
| (6) Refer Note No. 30 for the loss of stock due to Fire Accident                                                                                                                                                                                                                                                                                           |                  |                  |
| <b>12. Trade receivables</b>                                                                                                                                                                                                                                                                                                                               |                  |                  |
| Trade Receivables considered good – Secured                                                                                                                                                                                                                                                                                                                | ₹40.57           | ₹23.25           |
| Trade Receivables considered good – Unsecured                                                                                                                                                                                                                                                                                                              | ₹2,599.59        | ₹2,275.96        |
| Trade Receivables which have significant increase in credit risk                                                                                                                                                                                                                                                                                           | ₹0.00            | ₹0.00            |
| Trade Receivables – credit impaired                                                                                                                                                                                                                                                                                                                        | ₹0.00            | ₹0.00            |
|                                                                                                                                                                                                                                                                                                                                                            | <b>₹2,640.16</b> | <b>₹2,299.22</b> |
| Less: Allowance for doubtful receivables                                                                                                                                                                                                                                                                                                                   | ₹0.00            | ₹0.00            |
| <b>Total trade receivables</b>                                                                                                                                                                                                                                                                                                                             | <b>₹2,640.16</b> | <b>₹2,299.22</b> |
| <b>The above amount includes</b>                                                                                                                                                                                                                                                                                                                           |                  |                  |
| Receivable from related parties                                                                                                                                                                                                                                                                                                                            | ₹0.00            | ₹0.00            |
| Receivable from other than related parties                                                                                                                                                                                                                                                                                                                 | ₹2,640.16        | ₹2,299.22        |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                               | <b>₹2,640.16</b> | <b>₹2,299.22</b> |
| Notes:                                                                                                                                                                                                                                                                                                                                                     |                  |                  |
| The average credit period on sales of goods is 90 days. Payment terms vary from Advance Payments, LC for 60 to 90 Days, DA for 60 to 90 Days and open credits for 60 to 90 Days. No interest is charged on outstanding trade receivables.                                                                                                                  |                  |                  |



Annexure V – Notes forming part of Financial Statements

| Ageing of trade receivables as at 31 March 2025                                    |                                                            |                  |                 |                  |                   |           |
|------------------------------------------------------------------------------------|------------------------------------------------------------|------------------|-----------------|------------------|-------------------|-----------|
| Particulars (₹ in MM)                                                              | Outstanding for following periods from due date of Payment |                  |                 |                  |                   | Total     |
|                                                                                    | Less than 6 Months                                         | 6 Months- 1 Year | 1 Year- 2 Years | 2 Years- 3 Years | More than 3 Years |           |
| (i) Undisputed Trade Receivables - considered good                                 | ₹2,623.84                                                  | ₹7.58            | ₹0.64           | ₹4.49            | ₹0.55             | ₹2,637.10 |
| (ii) Undisputed Trade Receivables - which have significant increase in Credit risk | ₹0.00                                                      | ₹0.00            | ₹0.00           | ₹0.00            | ₹0.00             | ₹0.00     |
| (iii) Undisputed Trade Receivables - credit impaired                               | ₹0.00                                                      | ₹0.00            | ₹0.00           | ₹0.00            | ₹0.00             | ₹0.00     |
| (iv) Disputed Trade Receivables - considered good                                  | ₹0.00                                                      | ₹0.00            | ₹0.00           | ₹0.00            | ₹0.00             | ₹0.00     |
| (v) Disputed Trade Receivables - which have significant increase in Credit risk    | ₹0.00                                                      | ₹0.00            | ₹0.00           | ₹0.00            | ₹3.06             | ₹3.06     |
| (vi) Disputed Trade Receivables - credit impaired                                  | ₹0.00                                                      | ₹0.00            | ₹0.00           | ₹0.00            | ₹0.00             | ₹0.00     |
| Total                                                                              | ₹2,623.84                                                  | ₹7.58            | ₹0.64           | ₹4.49            | ₹3.61             | ₹2,640.16 |
| Ageing of trade receivables as at 31 March 2024                                    |                                                            |                  |                 |                  |                   |           |
| Particulars (₹ in MM)                                                              | Outstanding for following periods from due date of Payment |                  |                 |                  |                   | Total     |
|                                                                                    | Less than 6 Months                                         | 6 Months- 1 Year | 1 Year- 2 Years | 2 Years- 3 Years | More than 3 Years |           |
| (i) Undisputed Trade Receivables - considered good                                 | ₹2,275.14                                                  | ₹15.97           | ₹4.49           | ₹0.55            | ₹0.00             | ₹2,296.15 |
| (ii) Undisputed Trade Receivables - which have significant increase in Credit risk | ₹0.00                                                      | ₹0.00            | ₹0.00           | ₹0.00            | ₹0.00             | ₹0.00     |
| (iii) Undisputed Trade Receivables - credit impaired                               | ₹0.00                                                      | ₹0.00            | ₹0.00           | ₹0.00            | ₹0.00             | ₹0.00     |
| (iv) Disputed Trade Receivables - considered good                                  | ₹0.00                                                      | ₹0.00            | ₹0.00           | ₹0.00            | ₹0.00             | ₹0.00     |
| (v) Disputed Trade Receivables - which have significant increase in Credit risk    | ₹0.00                                                      | ₹0.00            | ₹0.00           | ₹3.06            | ₹0.00             | ₹3.06     |
| (vi) Disputed Trade Receivables - credit impaired                                  | ₹0.00                                                      | ₹0.00            | ₹0.00           | ₹0.00            | ₹0.00             | ₹0.00     |
| Total                                                                              | ₹2,275.14                                                  | ₹15.97           | ₹4.49           | ₹3.61            | ₹0.00             | ₹2,299.22 |

| Particulars (₹ in MM)                                                                                          | As at March 31, |           |
|----------------------------------------------------------------------------------------------------------------|-----------------|-----------|
|                                                                                                                | 2025            | 2024      |
| <b>13. Cash and cash equivalents</b>                                                                           |                 |           |
| Cash in hand (Indian rupees)                                                                                   | ₹0.35           | ₹1.22     |
| Cash in hand (foreign currencies)                                                                              | ₹0.69           | ₹0.00     |
| Balances with banks                                                                                            |                 |           |
| Current accounts                                                                                               | ₹85.40          | ₹9.15     |
| EEFC accounts                                                                                                  | ₹76.12          | ₹37.72    |
| Cash credit accounts                                                                                           | ₹11.14          | ₹5.45     |
|                                                                                                                | ₹173.70         | ₹53.54    |
| <b>14. Bank balances other than cash and cash equivalents</b>                                                  |                 |           |
| Other bank balances                                                                                            |                 |           |
| Margin money - Fixed Deposits                                                                                  | ₹11.74          | ₹12.45    |
| Other - Fixed Deposits                                                                                         | ₹2,212.07       | ₹5,490.20 |
| (with maturity of more than 3 months but less than 12 months)                                                  | ₹2,223.81       | ₹5,502.65 |
| <b>15. Loans</b>                                                                                               |                 |           |
| Loans to employees*                                                                                            | ₹16.84          | ₹11.15    |
| Loan to Aether Speciality Chemicals Limited (Subsidiary)                                                       | ₹344.79         | ₹1,045.55 |
|                                                                                                                | ₹361.63         | ₹1,056.70 |
| <b>Breakup of security details</b>                                                                             |                 |           |
| Loans, considered good - secured                                                                               | ₹0.00           | ₹0.00     |
| Loans, considered good - unsecured                                                                             | ₹361.64         | ₹1,056.70 |
| Loans, considered doubtful / credit impaired                                                                   | ₹0.00           | ₹0.00     |
| Total                                                                                                          | ₹361.64         | ₹1,056.70 |
| Less: Loss allowance                                                                                           | ₹0.00           | ₹0.00     |
| Total loans receivables                                                                                        | ₹361.64         | ₹1,056.70 |
| Notes:                                                                                                         |                 |           |
| *Loans to employees do not include any loan given to promoters, directors, KMPs and any other related parties. |                 |           |



Annexure V – Notes forming part of Financial Statements

| Particulars (₹ in MM)                                                                      | As at March 31, |              |
|--------------------------------------------------------------------------------------------|-----------------|--------------|
|                                                                                            | 2025            | 2024         |
| <b>16. Other financial assets</b>                                                          |                 |              |
| Interest receivable (from fixed deposits with banks)                                       | ₹106.38         | ₹303.03      |
| Gratuity asset (Refer note 45 for further disclosures)                                     | ₹0.00           | ₹2.71        |
| Security Deposit                                                                           | ₹168.28         | ₹21.44       |
| GST Credit Receivable (FI)                                                                 | ₹0.00           | ₹25.00       |
|                                                                                            | ₹274.66         | ₹352.18      |
| <b>17. Other current assets</b>                                                            |                 |              |
| Advances recoverable in cash/in kind                                                       | ₹228.40         | ₹242.77      |
| Balances with government authorities                                                       | ₹1,161.27       | ₹769.20      |
| Prepaid expenses                                                                           | ₹120.66         | ₹121.04      |
| Solar benefit                                                                              | ₹19.34          | ₹11.35       |
| Fund raise expenses                                                                        | ₹12.56          | ₹0.00        |
|                                                                                            | ₹1,542.23       | ₹1,144.36    |
| <b>18. Share capital</b>                                                                   |                 |              |
| Authorised                                                                                 |                 |              |
| 14,00,00,000 (31 March 2024: 14,00,00,000) equity shares of ₹10 each                       | ₹1,400.00       | ₹1,400.00    |
| Total                                                                                      | ₹1,400.00       | ₹1,400.00    |
| Issued, subscribed and paid-up equity share capital                                        |                 |              |
| 13,25,90,241 (31 March 2024: 13,25,50,273) equity shares of ₹10 each                       | ₹1,325.90       | ₹1,325.50    |
|                                                                                            | ₹1,325.90       | ₹1,325.50    |
| Reconciliation of number of shares outstanding at the beginning and end of the year/period |                 |              |
| Outstanding at the beginning of the year/period                                            | 13,25,50,273    | 12,45,10,721 |
| Add: Issued during the period                                                              | 39,968          | 80,39,552    |
| Outstanding at the end of the year/period                                                  | 13,25,90,241    | 13,25,50,273 |
| Notes:                                                                                     |                 |              |
| Number of shares is presented as absolute number.                                          |                 |              |

Terms / Rights attached to each classes of shares  
Rights, preferences and restrictions attached to Equity shares

|                            |                                                                                                                                                                                                                                                                                                 |
|----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| As to dividend             | The Shareholders are entitled to receive dividend in proportion to the amount of paid up equity shares held by them. The Company has not declared any dividend during the year.                                                                                                                 |
| As to repayment of capital | In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining asset of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. |
| As to voting               | The Company has one class of shares referred to as Equity Shares having par value of ₹10/-. Each holder of the equity share is entitled to one vote per share.                                                                                                                                  |

Shareholders holding more than 5% shares in the Company is set out below

| Equity shares of ₹10 each fully paid-up | As at 31 March 2025 |           | As at 31 March 2024 |           |
|-----------------------------------------|---------------------|-----------|---------------------|-----------|
|                                         | Number of shares    | % holding | Number of shares    | % holding |
| Purnima Ashwin Desai                    | 3,20,57,403         | 24.18%    | 3,20,57,403         | 24.19%    |
| Ashwin Jayantilal Desai                 | 67,20,417           | 5.07%     | 67,20,417           | 5.07%     |
| Rohan Ashwin Desai                      | 22,21,681           | 1.68%     | 22,21,681           | 1.68%     |
| Aman Ashwin Desai                       | 1,10,000            | 0.08%     | 1,10,000            | 0.08%     |
| AJD Family Trust                        | 1,35,60,206         | 10.23%    | 1,35,60,206         | 10.23%    |
| PAD Family Trust                        | 1,35,60,206         | 10.23%    | 1,35,60,206         | 10.23%    |
| RAD Family Trust                        | 2,00,17,162         | 15.10%    | 2,00,17,162         | 15.10%    |
| AAD Business Trust                      | 2,00,17,162         | 15.10%    | 2,00,17,162         | 15.10%    |



Annexure V – Notes forming part of Financial Statements

| Promoters Shareholding in the Company is set out below |                     |           |                     |           |
|--------------------------------------------------------|---------------------|-----------|---------------------|-----------|
| Equity shares of ₹10 each fully paid-up                | As at 31 March 2025 |           | As at 31 March 2024 |           |
|                                                        | Number of shares    | % holding | Number of shares    | % holding |
| Purnima Ashwin Desai                                   | 3,20,57,403         | 24.18%    | 3,20,57,403         | 24.19%    |
| Ashwin Jayantilal Desai                                | 67,20,417           | 5.07%     | 67,20,417           | 5.07%     |
| Rohan Ashwin Desai                                     | 22,21,681           | 1.68%     | 22,21,681           | 1.68%     |
| Aman Ashwin Desai                                      | 1,10,000            | 0.08%     | 1,10,000            | 0.08%     |
| AJD Family Trust                                       | 1,35,60,206         | 10.23%    | 1,35,60,206         | 10.23%    |
| PAD Family Trust                                       | 1,35,60,206         | 10.23%    | 1,35,60,206         | 10.23%    |
| RAD Family Trust                                       | 2,00,17,162         | 15.10%    | 2,00,17,162         | 15.10%    |
| AAD Business Trust                                     | 2,00,17,162         | 15.10%    | 2,00,17,162         | 15.10%    |

| Particulars (₹ in MM)                                                                                                                                                                   | As at March 31, |            |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|------------|
|                                                                                                                                                                                         | 2025            | 2024       |
| <b>19. Other equity</b>                                                                                                                                                                 |                 |            |
| A. Retained earnings                                                                                                                                                                    | ₹5,418.58       | ₹3,901.40  |
| B. Securities premium                                                                                                                                                                   | ₹15,441.13      | ₹15,416.17 |
| C. Employee Share Option Reserve                                                                                                                                                        | ₹66.07          | ₹46.24     |
|                                                                                                                                                                                         | ₹20,925.78      | ₹19,363.82 |
| <b>A. Retained earnings</b>                                                                                                                                                             |                 |            |
| Opening balance                                                                                                                                                                         | ₹3,901.40       | ₹3,022.88  |
| Profit for the period / year                                                                                                                                                            | ₹1,520.90       | ₹880.98    |
| Changes in the Lease Liabilities                                                                                                                                                        | ₹0.00           | ₹0.89      |
| Other comprehensive (loss)/ income                                                                                                                                                      |                 |            |
| -Remeasurements of defined benefit liability / (asset) (net of tax)                                                                                                                     | -₹3.72          | -₹3.34     |
| Closing balance                                                                                                                                                                         | ₹5,418.58       | ₹3,901.40  |
| <b>B. Securities premium</b>                                                                                                                                                            |                 |            |
| Opening balance                                                                                                                                                                         | ₹15,416.17      | ₹8,162.55  |
| Preferential Allotment of Shares 80,12,820 Equity Shares of ₹10 each at a Premium of ₹926 per share                                                                                     | ₹0.00           | ₹7,419.87  |
| Shares based payment options outstanding (ESOPs exercised)                                                                                                                              | ₹13.44          | ₹6.07      |
| QIP expenses                                                                                                                                                                            | -0.90           | -₹180.63   |
| Allotment of 39,968 Equity Shares of ₹10 each at a Premium of ₹311 per share under exercise of ESOPs (FY 2023-24 Allotment of 26,732 Shares of ₹10 each at a Premium of ₹311 per shares | ₹12.43          | ₹8.31      |
| Closing balance                                                                                                                                                                         | ₹15,441.13      | ₹15,416.17 |

| Particulars (₹ in MM)                                                | As at March 31, |            |
|----------------------------------------------------------------------|-----------------|------------|
|                                                                      | 2025            | 2024       |
| <b>C. Employee Share Option reserve</b>                              |                 |            |
| Opening balance                                                      | ₹46.24          | ₹15.56     |
| Add: Additions during the year                                       | ₹33.27          | ₹36.76     |
| Less: Transferred to Securities Premium on exercise of stock options | ₹13.44          | ₹6.07      |
| Closing balance                                                      | ₹66.07          | ₹46.24     |
| <b>Total reserves and surplus</b>                                    | ₹20,925.78      | ₹19,363.81 |
| <b>20. Lease liabilities</b>                                         |                 |            |
| Lease liabilities                                                    | ₹148.09         | ₹119.37    |
|                                                                      | ₹148.09         | ₹119.37    |
| <b>21. Borrowings</b>                                                |                 |            |
| <b>Working capital loan (Refer note 1)</b>                           |                 |            |
| Secured                                                              | ₹1,197.31       | ₹1,292.03  |
|                                                                      | ₹1,197.31       | ₹1,292.03  |

Notes:

(1) The primary security for working capital loan is outstanding receivables and inventories.

(2) The company has used the loans towards the specific purposes for which it had borrowed the funds from the bank and there is no deviation in that regards.

(3) The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

(4) Break-up of the Working capital loan:

| Particulars (₹ in MM)                           | As at March 31, |           |
|-------------------------------------------------|-----------------|-----------|
|                                                 | 2025            | 2024      |
| Working capital limits with HDFC Bank           | ₹327.15         | ₹363.44   |
| Working capital limits with ICICI Bank          | ₹872.17         | ₹927.73   |
| Total outstanding                               | ₹1,199.32       | ₹1,291.16 |
| Foreign exchange valuation impact on PCFC loans | -₹2.01          | ₹0.87     |
| Net outstanding                                 | ₹1,197.31       | ₹1,292.03 |



Annexure V – Notes forming part of Financial Statements

| Particulars (₹ in MM)                                                                                                                            | As at March 31,                                                        |                  |           |           |                   |           |
|--------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------|-----------|-----------|-------------------|-----------|
|                                                                                                                                                  | 2025                                                                   | 2024             |           |           |                   |           |
| <b>22. Lease liabilities</b>                                                                                                                     |                                                                        |                  |           |           |                   |           |
| Lease liabilities                                                                                                                                | ₹25.32                                                                 | ₹24.46           |           |           |                   |           |
|                                                                                                                                                  | ₹25.32                                                                 | ₹24.46           |           |           |                   |           |
| <b>23. Trade payables</b>                                                                                                                        |                                                                        |                  |           |           |                   |           |
| Total outstanding dues of Micro Enterprises and Small Enterprises (Refer note 39)                                                                | ₹214.87                                                                | ₹76.59           |           |           |                   |           |
| Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises                                                           | ₹926.55                                                                | ₹861.66          |           |           |                   |           |
|                                                                                                                                                  | ₹1,141.43                                                              | ₹938.24          |           |           |                   |           |
| <b>Notes:</b>                                                                                                                                    |                                                                        |                  |           |           |                   |           |
| (1)Refer note 40 – Related Party for related party disclosure                                                                                    |                                                                        |                  |           |           |                   |           |
| (2) Trade payables principally comprise amounts outstanding for trade purchases. The average credit period taken for trade purchases is 90 days. |                                                                        |                  |           |           |                   |           |
| Ageing of trade payables as at 31 March 2025                                                                                                     |                                                                        |                  |           |           |                   |           |
|                                                                                                                                                  | Outstanding for following periods Particulars from due date of payment |                  |           |           |                   |           |
| Particulars (₹ in MM)                                                                                                                            | Unbilled Dues                                                          | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total     |
| (i) MSME                                                                                                                                         | ₹0.00                                                                  | ₹214.87          | ₹0.00     | ₹0.00     | ₹0.00             | ₹214.87   |
| (ii) Others                                                                                                                                      | ₹0.00                                                                  | ₹926.55          | ₹0.00     | ₹0.00     | ₹0.00             | ₹926.55   |
| (iii) Disputed dues – MSME                                                                                                                       | ₹0.00                                                                  | ₹0.00            | ₹0.00     | ₹0.00     | ₹0.00             | ₹0.00     |
| (iv) Disputed dues – Others                                                                                                                      | ₹0.00                                                                  | ₹0.00            | ₹0.00     | ₹0.00     | ₹0.00             | ₹0.00     |
| Total                                                                                                                                            | ₹0.00                                                                  | ₹1,141.43        | ₹0.00     | ₹0.00     | ₹0.00             | ₹1,141.43 |
| Ageing of trade payables as at 31 March 2024                                                                                                     |                                                                        |                  |           |           |                   |           |
|                                                                                                                                                  | Outstanding for following periods Particulars from due date of payment |                  |           |           |                   |           |
| Particulars (₹ in MM)                                                                                                                            | Unbilled Dues                                                          | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total     |
| (i) MSME                                                                                                                                         | ₹0.00                                                                  | ₹76.59           | ₹0.00     | ₹0.00     | ₹0.00             | ₹76.59    |
| (ii) Others                                                                                                                                      | ₹0.00                                                                  | ₹861.66          | ₹0.00     | ₹0.00     | ₹0.00             | ₹861.66   |
| (iii) Disputed dues – MSME                                                                                                                       | ₹0.00                                                                  | ₹0.00            | ₹0.00     | ₹0.00     | ₹0.00             | ₹0.00     |
| (iv) Disputed dues – Others                                                                                                                      | ₹0.00                                                                  | ₹0.00            | ₹0.00     | ₹0.00     | ₹0.00             | ₹0.00     |
| Total                                                                                                                                            | ₹0.00                                                                  | ₹938.24          | ₹0.00     | ₹0.00     | ₹0.00             | ₹938.24   |

| Particulars (₹ in MM)                                    | As at March 31, |         |
|----------------------------------------------------------|-----------------|---------|
|                                                          | 2025            | 2024    |
| <b>24. Other financial liabilities</b>                   |                 |         |
| Employee related payables                                |                 |         |
| Salary and other benefits                                | ₹34.85          | ₹32.78  |
| Bonus payable                                            | ₹16.72          | ₹15.21  |
| Other payables                                           | ₹21.69          | ₹19.29  |
| Bills payable                                            | ₹0.00           | ₹0.81   |
| Creditors for expenses                                   | ₹38.99          | ₹46.60  |
|                                                          | ₹112.25         | ₹114.68 |
| <b>25. Other current liabilities</b>                     |                 |         |
| Advance received from customers                          | ₹1.33           | ₹6.41   |
| Statutory dues payables                                  | ₹17.39          | ₹19.82  |
| On Account Payment Received from Insurance Company (Fire | ₹215.91         | ₹0.00   |
|                                                          | ₹234.64         | ₹26.23  |
| <b>26. Provisions</b>                                    |                 |         |
| Employee benefits                                        |                 |         |
| Gratuity (Refer note 45 for further disclosures)         | ₹1.55           | ₹0.00   |
|                                                          | ₹1.55           | ₹0.00   |



Annexure V – Notes forming part of Financial Statements

| Particulars (₹ in MM)                                   | For the year ended March 31, |                  |
|---------------------------------------------------------|------------------------------|------------------|
|                                                         | 2025                         | 2024             |
| <b>27. Revenue from operations</b>                      |                              |                  |
| <b>Sales of products</b>                                |                              |                  |
| Manufactured goods                                      |                              |                  |
| Local sales                                             | ₹3,192.80                    | ₹3,368.78        |
| Export sales                                            | ₹2,523.60                    | ₹1,735.08        |
| Deemed exports                                          | ₹377.36                      | ₹34.99           |
| Export sales – CRAMS                                    | ₹567.05                      | ₹447.94          |
| Domestic sales – CRAMS                                  | ₹27.02                       | ₹22.12           |
| Deemed exports – CRAMS                                  | ₹20.04                       | ₹41.40           |
| <b>Sale of services</b>                                 |                              |                  |
| Export services                                         | ₹413.43                      | ₹315.15          |
| Domestic services                                       | ₹767.71                      | ₹0.00            |
| <b>Total revenue from operations</b>                    | <b>₹7,889.01</b>             | <b>₹5,965.47</b> |
| Less: Rebate and discount                               | -₹3.83                       | -₹8.76           |
|                                                         | <b>₹7,885.18</b>             | <b>₹5,956.69</b> |
| Note: Refer note no. 47 Revenue for further disclosures |                              |                  |
| <b>28. Other income</b>                                 |                              |                  |
| <b>Interest</b>                                         |                              |                  |
| Interest on fixed deposits                              | ₹344.06                      | ₹335.19          |
| Interest accrued on loans to employees                  | ₹1.62                        | ₹1.47            |
| Interest on deposits                                    | ₹0.41                        | ₹0.20            |
| Interest on unsecured loan                              | ₹30.25                       | ₹50.62           |
| Interest – others                                       | ₹0.20                        | ₹0.30            |
| <b>Others</b>                                           |                              |                  |
| Foreign exchange fluctuation                            | ₹35.68                       | ₹35.43           |
| Duty drawback – exports                                 | ₹7.26                        | ₹11.35           |
| MEIS duty credit                                        | ₹0.00                        | ₹2.09            |
| SEIS Duty Credit                                        | ₹10.74                       | ₹0.00            |
| Income from mutual funds                                | ₹0.00                        | ₹5.31            |
| Income accrued from mutual funds                        | ₹0.00                        | ₹0.07            |
| Interest on Income Tax Refund                           | ₹8.94                        | ₹0.00            |
| Profit on Termination of Lease                          | ₹3.21                        | ₹0.00            |
| Miscellaneous income                                    | ₹0.79                        | ₹0.61            |
|                                                         | <b>₹443.16</b>               | <b>₹442.64</b>   |

| Particulars (₹ in MM)                             | For the year ended March 31, |                  |
|---------------------------------------------------|------------------------------|------------------|
|                                                   | 2025                         | 2024             |
| <b>29. Cost of materials consumed</b>             |                              |                  |
| <b>Raw materials</b>                              |                              |                  |
| Opening                                           | ₹835.04                      | ₹607.88          |
| Add: Purchases                                    | ₹4,302.00                    | ₹3,759.26        |
| Add: Customs duty and clearing forwarding charges | ₹45.41                       | ₹71.37           |
| Less: Discount of purchase of raw materials       | ₹0.43                        | ₹7.39            |
|                                                   | <b>₹5,182.02</b>             | <b>₹4,431.12</b> |
| Less: Closing                                     | ₹838.34                      | ₹835.04          |
|                                                   | <b>₹4,343.68</b>             | <b>₹3,596.08</b> |
| <b>Packing materials</b>                          |                              |                  |
| Opening                                           | ₹22.42                       | ₹14.70           |
| Add: Purchases                                    | ₹94.63                       | ₹86.07           |
|                                                   | <b>₹117.05</b>               | <b>₹100.77</b>   |
| Less: Closing                                     | ₹29.34                       | ₹22.42           |
|                                                   | <b>₹87.70</b>                | <b>₹78.35</b>    |
| <b>Stores and spares</b>                          |                              |                  |
| Opening                                           | ₹59.47                       | ₹46.28           |
| Add: Purchases                                    | ₹210.90                      | ₹155.81          |
|                                                   | <b>₹270.37</b>               | <b>₹202.09</b>   |
| Less: Closing                                     | ₹87.15                       | ₹59.47           |
|                                                   | <b>₹183.21</b>               | <b>₹142.62</b>   |
| <b>Other materials</b>                            |                              |                  |
| Opening                                           | ₹332.04                      | ₹219.80          |
| Add: Purchases                                    | ₹48.06                       | ₹53.05           |
|                                                   | <b>₹380.09</b>               | <b>₹272.85</b>   |
| Less: Closing                                     | ₹258.64                      | ₹332.04          |
|                                                   | <b>₹121.45</b>               | <b>-₹59.19</b>   |
| <b>Total Cost of materials consumed</b>           | <b>₹4,736.05</b>             | <b>₹3,757.85</b> |



Annexure V – Notes forming part of Financial Statements

| Particulars (₹ in MM)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | For the year ended March 31, |                  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 2025                         | 2024             |
| <b>30. Changes in inventories of finished goods and work-in-progress</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                              |                  |
| Opening Inventories                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                              |                  |
| Finished goods                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | ₹492.61                      | ₹536.19          |
| Work-in-progress                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | ₹1,670.81                    | ₹1,062.81        |
| <b>Total (A)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>₹2,163.42</b>             | <b>₹1,599.00</b> |
| Closing Inventories                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                              |                  |
| Finished goods                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | ₹641.13                      | ₹492.61          |
| Work-in-progress                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | ₹2,010.24                    | ₹1,809.78        |
| <b>Total (B)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>₹2,651.37</b>             | <b>₹2,302.39</b> |
| Goods destroyed due to fire (C)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | ₹0.00                        | ₹138.97          |
| Claim settled against goods destroyed due to fire (D)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | ₹112.46                      | ₹0.00            |
| <b>Total (A – B + C – D)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>-₹600.41</b>              | <b>-₹564.42</b>  |
| <b>Note:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                              |                  |
| Inventory Destroyed by fire written off :                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                              |                  |
| On November 29, 2023, an accidental fire broke out at Manufacturing Facility – II, i.e. Plot No. 8203, Road No. 8, GIDC Industrial Estate, Sachin, Surat -394230, Gujarat (India). The said accident was duly reported to the Insurance Company. The Company is adequately insured to the extent of damage occurred in the fire accident, including impacted property, plant & equipment, inventories and the business losses. Loss of inventory was ₹138.97 million due to this fire accident, which has been assessed and written off for in FY 2023-24 itself. |                              |                  |
| The Company has received a claim of ₹112.46 million towards claim for loss of stocks.                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                              |                  |
| <b>31. Employee benefit expenses</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                              |                  |
| Salaries, wages and bonus                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | ₹327.08                      | ₹278.88          |
| Contribution to gratuity                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | ₹10.48                       | ₹8.75            |
| Contribution to labour welfare fund                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | ₹0.02                        | ₹0.00            |
| Contribution to provident fund                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | ₹19.28                       | ₹17.88           |
| Contribution to provident fund – Admin Charges                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | ₹0.77                        | ₹0.73            |
| Staff welfare expenses                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | ₹8.55                        | ₹13.26           |
| Leave encashment expenses                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | ₹9.29                        | ₹23.23           |
| ESOPs (Employee Benefit)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | ₹33.27                       | ₹36.76           |
| Other employee related expenses                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | ₹16.49                       | ₹6.62            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>₹425.24</b>               | <b>₹386.11</b>   |

| Particulars (₹ in MM)                                        | For the year ended March 31, |                |
|--------------------------------------------------------------|------------------------------|----------------|
|                                                              | 2025                         | 2024           |
| <b>32. Finance costs</b>                                     |                              |                |
| Interest on cash credit                                      | ₹28.06                       | ₹33.28         |
| Interest on PCFC                                             | ₹9.37                        | ₹9.50          |
| Interest on bill discounting                                 | ₹22.88                       | ₹14.26         |
| Interest on car loan                                         | ₹0.00                        | ₹0.06          |
| Bank charges                                                 | ₹2.70                        | ₹6.50          |
| Interest on financial liabilities at amortized cost          | ₹14.10                       | ₹15.68         |
| Interest Expense on OD                                       | ₹25.14                       | ₹5.89          |
|                                                              | <b>₹102.25</b>               | <b>₹85.17</b>  |
| <b>33. Depreciation and amortisation expense</b>             |                              |                |
| Depreciation of property, plant and equipment (refer note 3) | ₹398.08                      | ₹363.16        |
| Amortisation of right-of-use asset (refer note 5)            | ₹28.45                       | ₹29.70         |
| Amortisation of intangible assets (refer note 6)             | ₹1.44                        | ₹1.30          |
|                                                              | <b>₹427.97</b>               | <b>₹394.15</b> |
| <b>34. Other expenses</b>                                    |                              |                |
| <b>Manufacturing service cost expenses</b>                   |                              |                |
| Power and fuel                                               | ₹234.00                      | ₹268.52        |
| Work-in-progress                                             | ₹11.71                       | ₹12.38         |
| Work-in-progress                                             | ₹212.82                      | ₹236.22        |
| <b>Administrative and general expenses</b>                   |                              |                |
| Telephone and postage                                        | ₹4.24                        | ₹3.37          |
| Printing and stationery                                      | ₹2.03                        | ₹2.35          |
| Rent                                                         | ₹6.93                        | ₹3.44          |
| Rates and taxes                                              | ₹14.13                       | ₹11.42         |
| Payment to statutory auditors (Refer note below)             | ₹1.00                        | ₹1.75          |
| Directors' sitting fees                                      | ₹1.97                        | ₹2.52          |
| Managerial remuneration                                      | ₹34.36                       | ₹29.73         |
| Repairs and maintenance expenses                             | ₹44.91                       | ₹36.62         |
| Electricity expenses                                         | ₹167.69                      | ₹134.47        |
| Travelling expenses                                          | ₹15.52                       | ₹17.06         |
| Legal and professional expenses                              | ₹58.80                       | ₹80.29         |
| Insurance expenses                                           | ₹57.26                       | ₹45.66         |



Annexure V – Notes forming part of Financial Statements

| Particulars (₹ in MM)                                                                                                                                                                            | For the year ended March 31, |           |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------|
|                                                                                                                                                                                                  | 2025                         | 2024      |
| <b>34. Other expenses</b>                                                                                                                                                                        |                              |           |
| Vehicle running expenses                                                                                                                                                                         | ₹7.37                        | ₹6.52     |
| Other administrative and general expenses                                                                                                                                                        | ₹26.89                       | ₹27.30    |
| Selling and distribution expenses                                                                                                                                                                | ₹125.41                      | ₹100.16   |
| Research and development expenses                                                                                                                                                                | ₹8.18                        | ₹2.28     |
| Other expenses                                                                                                                                                                                   | ₹34.39                       | ₹40.63    |
|                                                                                                                                                                                                  | ₹1,069.60                    | ₹1,062.66 |
| <b>(a) Payment to auditors</b>                                                                                                                                                                   |                              |           |
| Statutory audit fee                                                                                                                                                                              | ₹1.00                        | ₹0.90     |
| Other matters                                                                                                                                                                                    | ₹0.00                        | ₹0.85     |
|                                                                                                                                                                                                  | ₹1.00                        | ₹1.75     |
| Note:                                                                                                                                                                                            |                              |           |
| The auditors were also paid a fee of ₹0.75 million towards their various certifications etc. during the QIP, which has been debited to the securities premium account as QIP expense in FY 23-24 |                              |           |
| <b>35. Exceptional items*</b>                                                                                                                                                                    |                              |           |
| Damage cost assessment due to pollution                                                                                                                                                          | ₹1.70                        | ₹0.00     |
| Brokerage expense                                                                                                                                                                                | ₹0.13                        | ₹0.04     |
| Conveyance expenses for fire accident                                                                                                                                                            | ₹0.00                        | ₹0.53     |
| Electricity expense - fire accident                                                                                                                                                              | ₹0.17                        | ₹0.01     |
| FI/IP1/Consumables- fire accident expenses                                                                                                                                                       | ₹0.00                        | ₹0.51     |
| Fire charges (Foam)                                                                                                                                                                              | ₹0.00                        | ₹1.26     |
| Fire charges (Water)                                                                                                                                                                             | ₹0.00                        | ₹0.07     |
| Food expenses for fire accident                                                                                                                                                                  | ₹0.00                        | ₹1.12     |
| Freight charges for fire accident                                                                                                                                                                | ₹2.31                        | ₹0.24     |
| Insurance expense - fire accident                                                                                                                                                                | ₹107.12                      | ₹29.57    |
| Legal & Professional expense - fire accident                                                                                                                                                     | ₹2.50                        | ₹4.04     |
| Medical expenses to staff - fire accident                                                                                                                                                        | ₹0.00                        | ₹29.57    |
| Penalty/Fine - fire accident                                                                                                                                                                     | ₹0.00                        | ₹5.00     |
| Rent expenses - 7/103/B                                                                                                                                                                          | ₹0.87                        | ₹0.44     |
| Rent expenses - Plot No. 326/2                                                                                                                                                                   | ₹3.00                        | ₹0.07     |
| Security expenses - fire accident                                                                                                                                                                | ₹0.94                        | ₹0.14     |
| Staff welfare expenses - fire accident                                                                                                                                                           | ₹0.00                        | ₹65.02    |
|                                                                                                                                                                                                  | ₹118.74                      | ₹137.62   |
| *Exceptional Items include all the expenses made towards the fire accident occurred at Manufacturing Facility-2 i.e. Plot No. 8203, GIDC Sachin, Surat, Gujarat (India).                         |                              |           |

| Particulars (₹ in MM)                                                                    | For the year ended March 31, |         |
|------------------------------------------------------------------------------------------|------------------------------|---------|
|                                                                                          | 2025                         | 2024    |
| <b>36. Taxes</b>                                                                         |                              |         |
| <b>(a) Statement of profit or loss</b>                                                   |                              |         |
| Current tax                                                                              |                              |         |
| Current income tax charge                                                                | ₹380.16                      | ₹172.90 |
| Deferred tax                                                                             | ₹146.60                      | ₹85.17  |
| Income tax expense reported in the statement of profit or loss                           | ₹526.76                      | ₹258.07 |
| <b>(b) Other comprehensive income (OCI)</b>                                              |                              |         |
| Taxes related to items recognised in OCI during in the period                            |                              |         |
| Deferred tax                                                                             |                              |         |
| Remeasurements gains and losses on post employment benefits                              | -₹1.25                       | -₹1.12  |
| Income tax recognised in OCI                                                             | -₹1.25                       | -₹1.12  |
| <b>(c) Balance sheet</b>                                                                 |                              |         |
| Non- current tax assets                                                                  | ₹0.00                        | ₹0.00   |
| Current tax assets                                                                       | ₹0.00                        | ₹0.00   |
| Total tax assets                                                                         | ₹0.00                        | ₹0.00   |
| <b>Current tax liabilities</b>                                                           |                              |         |
| Income tax (net of advance tax)                                                          | ₹0.00                        | ₹0.00   |
| Total current tax liabilities                                                            | ₹0.00                        | ₹0.00   |
| <b>(d) Deferred tax liabilities / (assets)</b>                                           |                              |         |
| Excess of depreciation/amortisation on property plant and equipment under income tax act | ₹543.57                      | ₹388.46 |
| Fair valuation of Security deposits                                                      | -₹0.05                       | -₹0.07  |
| Prepaid Rent                                                                             | ₹0.04                        | ₹0.07   |
| Provision for employee benefits                                                          | -₹0.39                       | ₹0.68   |
| Leases                                                                                   | -₹43.64                      | -₹36.20 |
| Net Deferred tax liability / (asset)                                                     | ₹499.53                      | ₹352.94 |



Annexure V – Notes forming part of Financial Statements

| Particulars (₹ in MM)                                                                    | For the year ended March 31, |                                              |                                   |                |
|------------------------------------------------------------------------------------------|------------------------------|----------------------------------------------|-----------------------------------|----------------|
|                                                                                          | 2025                         | 2024                                         |                                   |                |
| (e) Reconciliation of tax expense and the accounting profit multiplied                   |                              |                                              |                                   |                |
| Accounting profit before tax                                                             | ₹2,048.91                    | ₹1,140.17                                    |                                   |                |
| Tax rate                                                                                 | 25.17%                       | 25.17%                                       |                                   |                |
| Tax as per IT Act on above                                                               | ₹515.67                      | ₹286.96                                      |                                   |                |
| Tax expenses (P&L)                                                                       |                              |                                              |                                   |                |
| (i) Current tax                                                                          | ₹380.16                      | ₹172.90                                      |                                   |                |
| (ii) Deferred tax                                                                        | ₹146.60                      | ₹85.17                                       |                                   |                |
| (iii) Taxation in respect of earlier years                                               | ₹0.00                        | ₹0.00                                        |                                   |                |
|                                                                                          | ₹526.76                      | ₹258.07                                      |                                   |                |
| Tax expenses (OCI)                                                                       | -₹1.25                       | -₹1.12                                       |                                   |                |
| Difference                                                                               | -₹9.84                       | ₹30.01                                       |                                   |                |
| Tax reconciliation                                                                       |                              |                                              |                                   |                |
| Adjustments:                                                                             |                              |                                              |                                   |                |
| Effect of permanent adjustments                                                          |                              |                                              |                                   |                |
| (i) Impact as a result of Tax Rate Change                                                | ₹0.00                        | ₹0.00                                        |                                   |                |
| (ii) Impact as a result of Capital Gains                                                 | ₹0.00                        | ₹0.00                                        |                                   |                |
| (iii) Others                                                                             | ₹9.84                        | -₹30.01                                      |                                   |                |
|                                                                                          | ₹9.84                        | -₹30.01                                      |                                   |                |
|                                                                                          | ₹0.00                        | ₹0.00                                        |                                   |                |
| (f) Movement in temporary differences                                                    |                              |                                              |                                   |                |
| Particulars (₹ in MM)                                                                    | April 1, 2024                | Recognised in profit or loss during the year | Recognised in OCI during the year | March 31, 2025 |
| Deferred tax liabilities (DTL)                                                           |                              |                                              |                                   |                |
| Excess of depreciation/amortisation on property plant and equipment under income tax act | ₹388.46                      | ₹155.12                                      | ₹0.00                             | ₹543.57        |
| Fair valuation of Security deposits                                                      | -₹0.07                       | ₹0.02                                        | ₹0.00                             | -₹0.05         |
| Prepaid Rent                                                                             | ₹0.07                        | -₹0.03                                       | ₹0.00                             | ₹0.04          |
| Provision for employee benefits                                                          | ₹0.68                        | ₹0.18                                        | -₹1.25                            | -₹0.39         |
| Leases                                                                                   | -₹36.20                      | -₹7.44                                       | ₹0.00                             | -₹43.64        |
| Net deferred tax liability/(asset)                                                       | ₹352.94                      | ₹147.85                                      | -₹1.25                            | ₹499.53        |

|                                                                                          |               |                                              |                                   |                |
|------------------------------------------------------------------------------------------|---------------|----------------------------------------------|-----------------------------------|----------------|
| (f) Movement in temporary differences                                                    |               |                                              |                                   |                |
| Particulars (₹ in MM)                                                                    | April 1, 2024 | Recognised in profit or loss during the year | Recognised in OCI during the year | March 31, 2025 |
|                                                                                          |               |                                              |                                   |                |
| Deferred tax liabilities (DTL)                                                           |               |                                              |                                   |                |
| Excess of depreciation/amortisation on property plant and equipment under income tax act | ₹269.91       | ₹118.55                                      | ₹0.00                             | ₹388.46        |
| Fair valuation of Mutual funds                                                           | -₹0.05        | ₹0.05                                        | ₹0.00                             | ₹0.00          |
| Fair valuation of Security deposits                                                      | ₹0.00         | -₹0.07                                       | ₹0.00                             | -₹0.07         |
| Amortization of processing fees on loan                                                  | ₹0.00         | ₹0.07                                        | ₹0.00                             | ₹0.07          |
| Provision for employee benefits                                                          | ₹0.42         | ₹1.38                                        | -₹1.12                            | ₹0.68          |
| Leases                                                                                   | -₹2.51        | -₹33.69                                      | ₹0.00                             | -₹36.20        |
| Net deferred tax liability/(asset)                                                       | ₹267.76       | ₹86.29                                       | -₹1.12                            | ₹352.94        |
| Particulars (₹ in MM)                                                                    |               |                                              |                                   |                |
|                                                                                          |               | For the year ended March 31,                 |                                   |                |
|                                                                                          |               | 2025                                         | 2024                              |                |
| 37. Earnings per share                                                                   |               |                                              |                                   |                |
| Profits attributable to equity shareholders                                              |               |                                              |                                   |                |
| (a) Statement of profit or loss                                                          |               |                                              |                                   |                |
| Profit for basic earning per share of ₹10 each                                           |               |                                              |                                   |                |
| Profit for the period / year (in ₹)                                                      |               |                                              | ₹1,520.90                         | ₹880.98        |
| Basic Earnings Per Share                                                                 |               |                                              |                                   |                |
| Weighted average number of equity shares outstanding during the period / year            |               |                                              | 13,25,64,881                      | 13,07,38,033   |
| Basic EPS (₹)                                                                            |               |                                              | ₹11.47                            | ₹6.74          |
| Diluted Earnings Per Share                                                               |               |                                              |                                   |                |
| Profit for diluted earning per share of ₹10 each                                         |               |                                              |                                   |                |
| Profit for the period / year (in ₹)                                                      |               |                                              | ₹1,520.90                         | ₹880.98        |
| Weighted average number of equity shares outstanding during the period / year            |               |                                              | 13,26,27,995                      | 13,07,46,670   |
| Diluted EPS (₹)                                                                          |               |                                              | ₹11.47                            | ₹6.74          |
| Weighted average number of equity shares for Basic Earnings Per Share                    |               |                                              |                                   |                |
| Balance at the beginning and at the end of the period                                    |               |                                              | 13,25,50,273                      | 12,45,10,721   |
| Issued during the period                                                                 |               |                                              | 14,608                            | 62,27,312      |
| Weighted average number of equity shares                                                 |               |                                              | 13,25,64,881                      | 13,07,38,033   |



Annexure V – Notes forming part of Financial Statements

| Particulars (₹ in MM)                                                   | For the year ended March 31, |              |
|-------------------------------------------------------------------------|------------------------------|--------------|
|                                                                         | 2025                         | 2024         |
| <b>37. Earnings per share</b>                                           |                              |              |
| Weighted average number of equity shares for Diluted Earnings Per Share |                              |              |
| Balance at the beginning and at the end of the period                   | 13,25,50,273                 | 12,45,10,721 |
| Issued during the period                                                | 77,722                       | 62,35,949    |
| Weighted average number of equity shares                                | 13,26,27,995                 | 13,07,46,670 |

| Particulars (₹ in MM)                                                | Currency  | As at March 31, |        |
|----------------------------------------------------------------------|-----------|-----------------|--------|
|                                                                      |           | 2025            | 2024   |
| <b>38. Contingent liabilities, contingent assets and commitments</b> |           |                 |        |
| <b>Contingent Liabilities</b>                                        |           |                 |        |
| Bank Guarantees Issued for                                           |           |                 |        |
| Customs                                                              | ₹         | ₹8.89           | ₹8.89  |
| Gujarat Gas Ltd.                                                     | ₹         | ₹20.71          | ₹20.71 |
| DGVCL                                                                | ₹         | ₹95.93          | ₹54.55 |
| NHI                                                                  | ₹         | ₹0.25           | ₹0.25  |
| GPCB                                                                 | ₹         | ₹0.75           | ₹0.75  |
| Total Margin for above items                                         | ₹         | ₹11.74          | ₹11.83 |
|                                                                      |           |                 |        |
| Raw Material FLC                                                     | US\$ (MM) | ₹0.00           | ₹0.06  |
| Total Margin for above items                                         | ₹         | ₹0.00           | ₹0.62  |
|                                                                      |           |                 |        |
| <b>Income tax demand</b>                                             |           |                 |        |
| AY 2017-18 (PY: 2016-17)                                             | ₹         | ₹0.00           | ₹0.15  |
| AY 2018-19 (PY: 2017-18)                                             | ₹         | ₹0.00           | ₹0.94  |
| AY 2020-21 (PY: 2019-20)                                             | ₹         | ₹1.18           | ₹1.00  |

Note:

All the Contingent Liabilities, except Income Tax Demands, listed above, which are outstanding as on current Balance Sheet date are not 100% secured through cash margins placed with the banks. Company is enjoying Bank Guarantee and LC Limit facilities from the banks.

The Income Tax Demands are under CIT appeal by the Company and the outcome of the same is not known and hence the demand amount has been considered as contingent liability.

| Particulars (₹ in MM)                                                                                                                                                                                                                                                                 | For the year ended March 31, |        |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|--------|
|                                                                                                                                                                                                                                                                                       | 2025                         | 2024   |
| <b>39. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006</b>                                                                                                                                                                     |                              |        |
| Principal amount remaining unpaid to any supplier as at the end of the year                                                                                                                                                                                                           |                              |        |
| Trade payables                                                                                                                                                                                                                                                                        | ₹214.87                      | ₹76.59 |
| Capital creditors                                                                                                                                                                                                                                                                     | ₹0.00                        | ₹0.00  |
| Interest due thereon remaining unpaid to any supplier as at the end of the period/year                                                                                                                                                                                                |                              |        |
| Trade payables                                                                                                                                                                                                                                                                        | ₹0.00                        | ₹0.00  |
| Capital creditors                                                                                                                                                                                                                                                                     | ₹0.00                        | ₹0.00  |
| The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act 2006                                                                                                                                                       | ₹0.00                        | ₹0.00  |
| The amount of payment made to micro and small supplier beyond the appointed day during each accounting year                                                                                                                                                                           | ₹0.00                        | ₹0.00  |
| The amount of interest due and payable for period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act 2006                                                                       | ₹0.00                        | ₹0.00  |
| The amount of interest accrued and remaining unpaid at the end of the accounting year                                                                                                                                                                                                 | ₹0.00                        | ₹0.00  |
| The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006. | ₹0.00                        | ₹0.00  |

Note:  
Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.



Annexure V – Notes forming part of Financial Statements

40. Related party disclosures

(a) List of related parties and description of relationship

Subsidiary companies

Aether Speciality Chemicals Limited

Entities where Directors are interested

|                                             |                                            |
|---------------------------------------------|--------------------------------------------|
| Ashwin Jayantilal Desai (Managing Director) | Purnima Ashwin Desai (Whole Time Director) |
| Aether Foundation                           | Aether Foundation                          |
| Aether Speciality Chemicals Limited         | Aether Speciality Chemicals Limited        |
| Globe Enviro Care Limited                   |                                            |

|                                          |                                         |
|------------------------------------------|-----------------------------------------|
| Rohan Ashwin Desai (Whole Time Director) | Aman Ashwin Desai (Whole Time Director) |
| Aether Foundation                        | Aether Speciality Chemicals Limited     |
| Aether Speciality Chemicals Limited      |                                         |

|                                          |                                       |
|------------------------------------------|---------------------------------------|
| Kamalvijay Ramchandra Tulsian (Director) | Ishita Surendra Manjrekar (Director)  |
| J R Dyeing and Printing Mills Ltd.       | Sunanda Speciality Coatings Pvt. Ltd. |

Key Management Personnel (KMP)

| Name                    | Designation                            |
|-------------------------|----------------------------------------|
| Ashwin Jayantilal Desai | Managing Director                      |
| Purnima Ashwin Desai    | Whole Time Director                    |
| Rohan Ashwin Desai      | Whole Time Director                    |
| Aman Ashwin Desai       | Whole Time Director                    |
| Dr. James W. ringer     | Chief Technology Officer               |
| Faiz Arif Nagariya      | Chief Financial Officer                |
| Chitrarth Rajan Parghi  | Company Secretary & Compliance Officer |

Relatives of management personnel

| Name                          | Relation                                           |
|-------------------------------|----------------------------------------------------|
| Payal Rohan Desai             | Spouse ofDirector – Rohan Ashwin Desai             |
| Kamalvijay Ramchandra HUF     | HUF of Director – Kamalvijay Ramchandra Tulsian    |
| Pramilaben Kamalvijay Tulsian | Spouse of Director – Kamalvijay Ramchandra Tulsian |

40. Related party disclosures

(a) List of related parties and description of relationship

Other Directors on Board

| Name                          | Designation                        |
|-------------------------------|------------------------------------|
| Kamalvijay Ramchandra Tulsian | Chairperson Non-Executive Director |
| Ishita Surendra Manjrekar     | Non-Executive Director             |
| Amol Arvindrao Kulkarni       | Independent Director               |
| Arun Brijmohan Kanodiya       | Independent Director               |
| Jeevanlal Nagori              | Independent Director               |
| Jitendra Popatlal Vakharia    | Independent Director               |
| Leja Satish Hattiangadi       | Independent Director               |
| Rajkumar Mangilal Borana      | Independent Director               |

(b) Related party transactions

| Nature of Transaction<br>(₹ in MM)   | For the year ended March 31, 2025   |                                                           |                                |           | For the year ended March 31, 2024   |                                                           |                                |           |
|--------------------------------------|-------------------------------------|-----------------------------------------------------------|--------------------------------|-----------|-------------------------------------|-----------------------------------------------------------|--------------------------------|-----------|
|                                      | Promoters<br>and their<br>relatives | Companies<br>Controlled<br>by<br>Directors /<br>Relatives | Other<br>Directors<br>on Board | Total     | Promoters<br>and their<br>relatives | Companies<br>Controlled<br>by<br>Directors /<br>Relatives | Other<br>Directors<br>on Board | Total     |
| Rent paid                            | ₹5.58                               | ₹0.00                                                     | ₹0.00                          | ₹5.58     | ₹6.60                               | ₹0.00                                                     | ₹0.00                          | ₹6.60     |
| Managerial<br>Remuneration           | ₹67.25                              | ₹0.00                                                     | ₹0.00                          | ₹67.25    | ₹67.25                              | ₹0.00                                                     | ₹0.00                          | ₹67.25    |
| Purchase of<br>consumables           | ₹0.00                               | ₹4.75                                                     | ₹0.00                          | ₹4.75     | ₹0.00                               | ₹0.00                                                     | ₹0.00                          | ₹0.00     |
| Purchase of material<br>for building | ₹0.00                               | ₹33.52                                                    | ₹0.00                          | ₹33.52    | ₹0.00                               | ₹27.93                                                    | ₹0.00                          | ₹27.93    |
| ETP expenses                         | ₹0.00                               | ₹77.32                                                    | ₹0.00                          | ₹77.32    | ₹0.00                               | ₹87.06                                                    | ₹0.00                          | ₹87.06    |
| CSR activities                       | ₹0.00                               | ₹1.97                                                     | ₹0.00                          | ₹1.97     | ₹0.00                               | ₹1.27                                                     | ₹0.00                          | ₹1.27     |
| Salary                               | ₹25.38                              | ₹0.00                                                     | ₹0.00                          | ₹25.38    | ₹8.03                               | ₹0.00                                                     | ₹0.00                          | ₹8.03     |
| Sitting fee                          | ₹0.00                               | ₹0.00                                                     | ₹1.97                          | ₹1.97     | ₹0.00                               | ₹0.00                                                     | ₹2.54                          | ₹2.54     |
| Unsecured loan                       | ₹0.00                               | ₹1,522.23                                                 | ₹0.00                          | ₹1,522.23 | ₹0.00                               | ₹1,045.55                                                 | ₹0.00                          | ₹1,045.55 |
| Plot bought at Site 1                | ₹0.00                               | ₹109.44                                                   | ₹0.00                          | ₹109.44   | ₹0.00                               | ₹0.00                                                     | ₹0.00                          | ₹0.00     |
| Total                                | ₹98.20                              | ₹1,749.23                                                 | ₹1.97                          | ₹1,849.40 | ₹81.88                              | ₹1,161.81                                                 | ₹2.54                          | ₹1,246.23 |



Annexure V – Notes forming part of Financial Statements

| Particulars (₹ in MM)                                                                                                                                                                                                                                                                                          | As at March 31,              |           |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------|
|                                                                                                                                                                                                                                                                                                                | 2025                         | 2024      |
| <b>40. Related party disclosures</b>                                                                                                                                                                                                                                                                           |                              |           |
| <b>(c) Balances outstanding at the end of the year</b>                                                                                                                                                                                                                                                         |                              |           |
| Rent                                                                                                                                                                                                                                                                                                           | ₹0.15                        | ₹0.59     |
| Material for Building & Structure                                                                                                                                                                                                                                                                              | ₹10.87                       | ₹5.57     |
| ETP Expense                                                                                                                                                                                                                                                                                                    | ₹7.21                        | ₹7.05     |
| Managerial remuneration                                                                                                                                                                                                                                                                                        | ₹3.08                        | ₹5.18     |
| Unsecured loans                                                                                                                                                                                                                                                                                                | ₹344.79                      | ₹1,045.55 |
| Salary                                                                                                                                                                                                                                                                                                         | ₹1.10                        | ₹0.50     |
| Note:<br>During the above periods, the Company did not enter into any material transaction (as defined in the Company's policy on related party transactions) with related parties. All other transactions of the company with related parties were in the ordinary course of business and at an arm's length. |                              |           |
| Particulars (₹ in MM)                                                                                                                                                                                                                                                                                          | For the year ended March 31, |           |
|                                                                                                                                                                                                                                                                                                                | 2025                         | 2024      |
| <b>(d) Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year:</b>                                                                                                                                                      |                              |           |
| <b>Rent paid</b>                                                                                                                                                                                                                                                                                               |                              |           |
| Payal Desai                                                                                                                                                                                                                                                                                                    | ₹1.80                        | ₹1.80     |
| Kamalvijay Ramchandra HUF                                                                                                                                                                                                                                                                                      | ₹1.89                        | ₹2.40     |
| Pramilaben Kamalvijay Tulsian                                                                                                                                                                                                                                                                                  | ₹1.89                        | ₹2.40     |
| Total                                                                                                                                                                                                                                                                                                          | ₹5.58                        | ₹6.60     |
| <b>Plot bought at Site 1</b>                                                                                                                                                                                                                                                                                   |                              |           |
| Kamalvijay Ramchandra HUF                                                                                                                                                                                                                                                                                      | ₹54.72                       | ₹0.00     |
| Pramilaben Kamalvijay Tulsian                                                                                                                                                                                                                                                                                  | ₹54.72                       | ₹0.00     |
| Total                                                                                                                                                                                                                                                                                                          | ₹109.44                      | ₹0.00     |
| <b>Managerial remuneration</b>                                                                                                                                                                                                                                                                                 |                              |           |
| Ashwin Jayantilal Desai                                                                                                                                                                                                                                                                                        | ₹13.65                       | ₹13.65    |
| Purnima Ashwin Desai                                                                                                                                                                                                                                                                                           | ₹13.65                       | ₹13.65    |
| Rohan Ashwin Desai                                                                                                                                                                                                                                                                                             | ₹19.47                       | ₹19.47    |
| Aman Ashwin Desai                                                                                                                                                                                                                                                                                              | ₹20.48                       | ₹20.48    |
| Total                                                                                                                                                                                                                                                                                                          | ₹67.25                       | ₹67.25    |

| Particulars (₹ in MM)                                                                                                                                     | For the year ended March 31, |         |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|---------|
|                                                                                                                                                           | 2025                         | 2024    |
| <b>(d) Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year:</b> |                              |         |
| <b>Transactions with Companies Controlled by Directors / Relatives</b>                                                                                    |                              |         |
| Sunanda Speciality Coatings Pvt. Ltd. (Consumables)                                                                                                       | ₹4.75                        | ₹0.00   |
| Sunanda Speciality Coatings Pvt. Ltd. (Material for Building)                                                                                             | ₹33.52                       | ₹27.93  |
| Globe Enviro Care Limited (ETP Expenses)                                                                                                                  | ₹77.32                       | ₹87.06  |
| Aether Foundation (CSR Expenses)                                                                                                                          | ₹1.47                        | ₹1.27   |
| KBN Charitable Trust (CSR Expenses)                                                                                                                       | ₹0.50                        | ₹0.00   |
| Total                                                                                                                                                     | ₹117.56                      | ₹116.26 |
| <b>Salary paid</b>                                                                                                                                        |                              |         |
| Dr. James W. Ringer                                                                                                                                       | ₹17.63                       | ₹1.39   |
| Faiz Arif Nagariya                                                                                                                                        | ₹6.83                        | ₹5.69   |
| Chitrarth Rajan Parghi                                                                                                                                    | ₹0.92                        | ₹0.95   |
| Total                                                                                                                                                     | ₹25.38                       | ₹8.03   |
| <b>Payment for ESOP options</b>                                                                                                                           |                              |         |
| Dr. James W. Ringer                                                                                                                                       | ₹2.00                        | ₹0.00   |
| Faiz Arif Nagariya                                                                                                                                        | ₹0.37                        | ₹0.37   |
| Chitrarth Rajan Parghi                                                                                                                                    | ₹0.05                        | ₹0.05   |
| Total                                                                                                                                                     | ₹2.42                        | ₹0.42   |
| <b>Sitting fees to Directors</b>                                                                                                                          |                              |         |
| Amol Arvindrao Kulkarni                                                                                                                                   | ₹0.25                        | ₹0.28   |
| Arun Brijmohan Kanodiya                                                                                                                                   | ₹0.34                        | ₹0.43   |
| Ishita Surendra Manjrekar                                                                                                                                 | ₹0.22                        | ₹0.27   |
| Jeevanlal Nagori                                                                                                                                          | ₹0.26                        | ₹0.33   |
| Jitendra Popatlal Vakharia                                                                                                                                | ₹0.28                        | ₹0.34   |
| Kamalvijay Ramchandra Tulsian                                                                                                                             | ₹0.24                        | ₹0.44   |
| Leja Satish Hattiangadi                                                                                                                                   | ₹0.23                        | ₹0.28   |
| Rajkumar Mangilal Borana                                                                                                                                  | ₹0.17                        | ₹0.17   |
| Total                                                                                                                                                     | ₹1.97                        | ₹2.54   |



Annexure V – Notes forming part of Financial Statements

| Particulars (₹ in MM)                                                                                                                                     | For the year ended March 31, |           |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------|
|                                                                                                                                                           | 2025                         | 2024      |
| <b>40. Related party disclosures</b>                                                                                                                      |                              |           |
| <b>(d) Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year:</b> |                              |           |
| <b>Unsecured loans</b>                                                                                                                                    |                              |           |
| Aether Speciality Chemicals Limited – Loan given                                                                                                          | ₹382.00                      | ₹994.94   |
| Aether Speciality Chemicals Limited – Loan Paid back                                                                                                      | ₹110.00                      | ₹0.00     |
| Aether Speciality Chemicals Limited – Interest on unsecured                                                                                               | ₹30.25                       | ₹50.62    |
| Aether Speciality Chemicals Limited – Loan converted into                                                                                                 | ₹999.98                      | ₹0.00     |
| Total                                                                                                                                                     | ₹1,522.23                    | ₹1,045.55 |
| Particulars (₹ in MM)                                                                                                                                     | For the year ended March 31, |           |
|                                                                                                                                                           | 2025                         | 2024      |
| <b>41. Section 35(2AB) of Income Tax Act, 1961 Disclosure</b>                                                                                             |                              |           |
| <b>Salary, wages and PF</b>                                                                                                                               |                              |           |
| Salary expense                                                                                                                                            | ₹105.85                      | ₹86.90    |
| Overtime wages                                                                                                                                            | ₹7.00                        | ₹6.39     |
| Employer's Contribution to PF                                                                                                                             | ₹2.35                        | ₹1.48     |
| <b>Employee medical insurance expenses</b>                                                                                                                |                              |           |
| Employer's contribution to ESI                                                                                                                            | ₹0.84                        | ₹3.00     |
| <b>Leave encashment expenses</b>                                                                                                                          |                              |           |
| Leave encashment expenses                                                                                                                                 | ₹1.68                        | ₹5.06     |
| <b>Other employee related expenses</b>                                                                                                                    |                              |           |
| Bonus                                                                                                                                                     | ₹8.53                        | ₹7.94     |
| <b>Managerial remuneration</b>                                                                                                                            |                              |           |
| Salaries to Directors                                                                                                                                     | ₹9.45                        | ₹9.45     |
| Bonus to Directors                                                                                                                                        | ₹0.79                        | ₹0.79     |
| <b>Consumption of material</b>                                                                                                                            |                              |           |
| R&D material consumed                                                                                                                                     | ₹40.39                       | ₹43.22    |
| <b>Power &amp; Fuel</b>                                                                                                                                   |                              |           |
| Diesel Expenses                                                                                                                                           | ₹4.53                        | ₹4.15     |
| <b>Repairs and maintenance</b>                                                                                                                            |                              |           |
| Plant and machinery                                                                                                                                       | ₹4.09                        | ₹1.21     |
| Buildings                                                                                                                                                 | ₹1.47                        | ₹0.59     |
| Others                                                                                                                                                    | ₹4.60                        | ₹0.92     |

| Particulars (₹ in MM)                                                                                                                                                                                                                                                                                                                                                       | For the year ended March 31, |         |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|---------|
|                                                                                                                                                                                                                                                                                                                                                                             | 2025                         | 2024    |
| <b>41. Section 35(2AB) of Income Tax Act, 1961 Disclosure</b>                                                                                                                                                                                                                                                                                                               |                              |         |
| <b>Electricity expense</b>                                                                                                                                                                                                                                                                                                                                                  |                              |         |
| Electricity expense                                                                                                                                                                                                                                                                                                                                                         | ₹51.52                       | ₹32.26  |
| <b>Vehicle running expenses</b>                                                                                                                                                                                                                                                                                                                                             |                              |         |
| Petrol and other expenses                                                                                                                                                                                                                                                                                                                                                   | ₹0.00                        | ₹1.42   |
| Vehicle repairing expenses                                                                                                                                                                                                                                                                                                                                                  | ₹0.00                        | ₹0.50   |
| Vehicle hiring charges                                                                                                                                                                                                                                                                                                                                                      | ₹0.00                        | ₹0.90   |
| <b>Rent, rates and taxes</b>                                                                                                                                                                                                                                                                                                                                                |                              |         |
| Rent                                                                                                                                                                                                                                                                                                                                                                        | ₹7.41                        | ₹8.78   |
| <b>Other administrative and general expenses</b>                                                                                                                                                                                                                                                                                                                            |                              |         |
| Security expenses                                                                                                                                                                                                                                                                                                                                                           | ₹4.42                        | ₹1.97   |
| Total revenue expenditure for R&D (A)                                                                                                                                                                                                                                                                                                                                       | ₹254.93                      | ₹216.91 |
| <b>Total capital expenditure for R&amp;D (B)</b>                                                                                                                                                                                                                                                                                                                            |                              |         |
|                                                                                                                                                                                                                                                                                                                                                                             | ₹426.30                      | ₹770.17 |
| Total expenditure for R&D (A + B)                                                                                                                                                                                                                                                                                                                                           | ₹681.23                      | ₹987.08 |
| <b>Note:</b>                                                                                                                                                                                                                                                                                                                                                                |                              |         |
| Approval for registration of in- house R&D unit by Department of Science and Industrial Research (DSIR) was received vide letter dated 24th November 2020 and the same was subsequently renewed on June 13, 2023, by DSIR. As the above note is for the discloser of requirements of Section 35(2AB) of the Income Tax Act, 1961, we have not considered Depreciation here. |                              |         |

42. Financial risk management

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors is responsible for developing and monitoring the Company's risk management policies. The board regularly meets to decide its risk management activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and

the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Board is also assisted by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Board of directors.



Annexure V – Notes forming part of Financial Statements

42. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

(a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess impairment loss or gain. The Company uses a matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and Company's historical experience for

customers.

(i) The company has not made any provision on expected credit loss on trade receivables and other financials assets, based on the management estimates.

(ii) Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings assigned by domestic credit rating agencies.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's treasury department within the Finance Department is responsible for liquidity and funding. In addition policies and procedures relating to such risks are overseen by the management.

The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from the operations.

| Particulars (₹ in MM)         | As at March 31, |            |
|-------------------------------|-----------------|------------|
|                               | 2025            | 2024       |
| Total current assets (A)      | ₹11,081.05      | ₹13,821.04 |
| Total current liabilities (B) | ₹2,712.49       | ₹2,395.65  |
| Working capital (A-B)         | ₹8,368.56       | ₹11,425.38 |
| Current Ratio:                | 4.09            | 5.77       |

Following is the Company's exposure to financial liabilities based on the contractual maturity as at reporting date

| Particulars (₹ in MM) | Contractual cash flows |                  |             |           |
|-----------------------|------------------------|------------------|-------------|-----------|
|                       | Carrying value         | Less than 1 year | More than 1 | Total     |
| Borrowings            | ₹1,197.31              | ₹1,197.31        | ₹0.00       | ₹1,197.31 |
| Trade payables        | ₹1,141.43              | ₹1,141.43        | ₹0.00       | ₹1,141.43 |
| Lease liabilities     | ₹173.41                | ₹25.32           | ₹148.09     | ₹173.41   |
| Other liabilities     | ₹112.25                | ₹112.25          | ₹0.00       | ₹112.25   |

Following is the Company's exposure to financial liabilities based on the contractual maturity as at reporting date

| Particulars (₹ in MM) | Contractual cash flows |                  |             |           |
|-----------------------|------------------------|------------------|-------------|-----------|
|                       | Carrying value         | Less than 1 year | More than 1 | Total     |
| Borrowings            | ₹1,292.03              | ₹1,292.03        | ₹0.00       | ₹1,292.03 |
| Trade payables        | ₹938.24                | ₹938.24          | ₹0.00       | ₹938.24   |
| Lease liabilities     | ₹143.84                | ₹24.46           | ₹119.37     | ₹143.84   |
| Other liabilities     | ₹114.68                | ₹114.68          | ₹0.00       | ₹114.68   |

(c) Market risk

Market risk is the risk that changes with market prices – such as foreign exchange rates and interest rates, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(1) Foreign currency risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. Company transacts business in its functional currency (₹) and in other foreign currencies. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities, where revenue or expense is denominated in a foreign currency.

Following is outstanding foreign currency unhedged exposure

| Particulars (₹ in MM)        | As at March 31, 2025 |                   | As at March 31, 2024 |                   |
|------------------------------|----------------------|-------------------|----------------------|-------------------|
|                              | Foreign Currency     | Equivalent amount | Foreign Currency     | Equivalent amount |
| USD                          |                      |                   |                      |                   |
| Trade receivables            | \$26.66              | ₹2,281.15         | \$16.52              | ₹1,377.54         |
| Balance with banks – in EEFC | \$0.89               | ₹76.12            | \$0.45               | ₹37.72            |
| Total                        | \$27.55              | ₹2,357.27         | \$16.98              | ₹1,415.26         |

Note: Amounts seen as -0.00 are below the disclosure threshold of the company



Annexure V – Notes forming part of Financial Statements

| (ii) Financial liabilities                                                    |                             |                   |                             |                   |
|-------------------------------------------------------------------------------|-----------------------------|-------------------|-----------------------------|-------------------|
| Particulars (₹ in MM)                                                         | As at March 31, 2025        |                   | As at March 31, 2024        |                   |
|                                                                               | Foreign Currency            | Equivalent amount | Foreign Currency            | Equivalent amount |
| USD                                                                           |                             |                   |                             |                   |
| Trade payables                                                                | \$1.36                      | ₹116.14           | \$0.10                      | ₹8.27             |
| Total                                                                         | \$1.36                      | ₹116.14           | \$0.10                      | ₹8.27             |
| Note: Amounts seen as -0.00 are below the disclosure threshold of the company |                             |                   |                             |                   |
| (iii) Currency wise net exposure                                              |                             |                   |                             |                   |
| Particulars (₹ in MM)                                                         | As at March 31, 2025        |                   | As at March 31, 2024        |                   |
|                                                                               | Foreign Currency            | Equivalent amount | Foreign Currency            | Equivalent amount |
| USD                                                                           | \$26.19                     | ₹2,241.12         | ₹16.88                      | 1,406.99          |
| Total                                                                         | \$26.19                     | ₹2,241.12         | ₹16.88                      | ₹0.00             |
| Note: Amounts seen as -0.00 are below the disclosure threshold of the company |                             |                   |                             |                   |
| (iv) Sensitivity analysis                                                     |                             |                   |                             |                   |
| Particulars (₹ in MM)                                                         | Impact on profit/equity (1% |                   | Impact on profit/equity (1% |                   |
|                                                                               | March 31, 2025              | March 31, 2024    | March 31, 2025              | March 31, 2024    |
| USD                                                                           | \$22.41                     | ₹14.07            | -\$22.41                    | -₹14.07           |
| Total                                                                         | \$22.41                     | ₹14.07            | -\$22.41                    | -₹14.07           |
| Note: Amounts seen as -0.00 are below the disclosure threshold of the company |                             |                   |                             |                   |

|                                                                                                                                                                                                                                                                                                                        |                                                                                                                                       |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|
| (2) Interest rate risk                                                                                                                                                                                                                                                                                                 |                                                                                                                                       |
| Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. | The Company manages its interest rates by selection appropriate type of borrowings and by negotiation with the bankers.               |
|                                                                                                                                                                                                                                                                                                                        | The exposure of the borrowings (long term and short term ) to interest rate changes at the end of the reporting period are as follows |

| Particulars (₹ in MM)       | As at March 31,               |             |
|-----------------------------|-------------------------------|-------------|
|                             | 2025                          | 2024        |
| Variable rate borrowings    | ₹1,197.31                     | ₹1,292.03   |
| Fixed rate borrowings       | ₹0.00                         | ₹0.00       |
| Total borrowings            | 1,197.31                      | 1,292.03    |
| Sensitivity analysis        |                               |             |
| Particulars (₹ in MM)       | Impact on profit before tax / |             |
|                             | pre- tax equity               |             |
|                             | As at March                   | As at March |
| Increase by 50 basis points | -₹5.99                        | -₹6.46      |
| Decrease by 50 basis points | ₹5.99                         | ₹6.46       |

43. Capital Management

The Company's capital comprises equity share capital, surplus in the statement of profit and loss and other equity attributable to equity holders.

The Company's objectives when managing capital are to :

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

| Particulars (₹ in MM)                             | As at March 31, |           |
|---------------------------------------------------|-----------------|-----------|
|                                                   | 2025            | 2024      |
| Total liabilities                                 | ₹3,360.11       | ₹2,867.96 |
| Less: cash and cash equivalents and bank balances | ₹2,397.51       | ₹5,556.19 |
| Net debt                                          | 962.6           | -2,688.22 |
| Total equity                                      | 22,251.69       | 20,689.32 |
| Net Debt-equity ratio                             | 0.04            | -0.13     |

44. Fair value measurements

(a) Categories of financial instruments

| Particulars                   | For the year ended March 31, 2025 |             |         |           |                | For the year ended March 31, 2024 |             |         |         |                |
|-------------------------------|-----------------------------------|-------------|---------|-----------|----------------|-----------------------------------|-------------|---------|---------|----------------|
|                               | Carrying amount                   | Fair values |         |           |                | Carrying amount                   | Fair values |         |         |                |
|                               |                                   | FVTPL       | FVTPL   | FVTOCI    | Amortised Cost |                                   | FVTPL       | FVTPL   | FVTOCI  | Amortised Cost |
| Category                      |                                   | Level 1     | Level 3 | Level 3   | Level 2        |                                   | Level 1     | Level 3 | Level 3 | Level 2        |
| Financial assets              |                                   |             |         |           |                |                                   |             |         |         |                |
| Trade receivables             | ₹2,640.16                         | ₹0.00       | ₹0.00   | ₹0.00     | ₹2,640.16      | ₹2,299.22                         | ₹0.00       | ₹0.00   | ₹0.00   | ₹2,299.22      |
| Cash and cash equivalents     | ₹173.70                           | ₹0.00       | ₹0.00   | ₹0.00     | ₹173.70        | ₹53.54                            | ₹0.00       | ₹0.00   | ₹0.00   | ₹53.54         |
| Other bank balances           | ₹2,223.81                         | ₹0.00       | ₹0.00   | ₹0.00     | ₹2,223.81      | ₹5,502.65                         | ₹0.00       | ₹0.00   | ₹0.00   | ₹5,502.65      |
| Investments in equity shares- | ₹1,002.58                         | ₹0.00       | ₹0.00   | ₹1,002.58 | ₹0.00          | ₹2.60                             | ₹0.00       | ₹0.00   | ₹2.60   | ₹0.00          |
| Loans                         | ₹361.64                           | ₹0.00       | ₹0.00   | ₹0.00     | ₹361.64        | ₹1,056.70                         | ₹0.00       | ₹0.00   | ₹0.00   | ₹1,056.70      |
| Other financial assets        | ₹326.58                           | ₹0.00       | ₹0.00   | ₹0.00     | ₹326.58        | ₹443.08                           | ₹0.00       | ₹0.00   | ₹0.00   | ₹443.08        |
| Total financial assets        | ₹6,728.48                         | ₹0.00       | ₹0.00   | ₹1,002.58 | ₹5,725.90      | ₹9,357.78                         | ₹0.00       | ₹0.00   | ₹2.60   | ₹9,355.19      |



Annexure V – Notes forming part of Financial Statements

| 44. Fair value measurements                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                   |             |         |         |                |                                   |             |         |         |                |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-------------|---------|---------|----------------|-----------------------------------|-------------|---------|---------|----------------|
| (a) Categories of financial instruments                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                   |             |         |         |                |                                   |             |         |         |                |
| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | For the year ended March 31, 2025 |             |         |         |                | For the year ended March 31, 2024 |             |         |         |                |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Carrying amount                   | Fair values |         |         |                | Carrying amount                   | Fair values |         |         |                |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                   | FVTPL       | FVTPL   | FVTOCI  | Amortised Cost |                                   | FVTPL       | FVTPL   | FVTOCI  | Amortised Cost |
| Category                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                   | Level 1     | Level 3 | Level 3 | Level 2        |                                   | Level 1     | Level 3 | Level 3 | Level 2        |
| <b>Financial liabilities</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                   |             |         |         |                |                                   |             |         |         |                |
| Borrowings                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | ₹1,197.31                         | ₹0.00       | ₹0.00   | ₹0.00   | ₹1,197.31      | ₹1,292.03                         | ₹0.00       | ₹0.00   | ₹0.00   | ₹1,292.03      |
| Trade payables                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | ₹1,141.43                         | ₹0.00       | ₹0.00   | ₹0.00   | ₹1,141.43      | ₹938.24                           | ₹0.00       | ₹0.00   | ₹0.00   | ₹938.24        |
| Other financial liabilities                                                                                                                                                                                                                                                                                                                                                                                                                                                        | ₹285.66                           | ₹0.00       | ₹0.00   | ₹0.00   | ₹285.66        | ₹258.52                           | ₹0.00       | ₹0.00   | ₹0.00   | ₹258.52        |
| Total financial liabilities                                                                                                                                                                                                                                                                                                                                                                                                                                                        | ₹2,624.39                         | ₹0.00       | ₹0.00   | ₹0.00   | ₹2,624.39      | ₹2,488.80                         | ₹0.00       | ₹0.00   | ₹0.00   | ₹2,488.80      |
| <b>(b) Fair value hierarchy</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                   |             |         |         |                |                                   |             |         |         |                |
| As per Ind AS 107 "Financial Instrument: Disclosure", fair value disclosures are not required when the carrying amounts reasonably approximate the fair value. As illustrated above, all financial instruments of the company which are carried at amortized cost approximates the fair value (except for which the fair values are mentioned). Investments in Mutual Funds which are designated at FVTPL & investment in shares which are classified as FVTOCI are at fair value. |                                   |             |         |         |                |                                   |             |         |         |                |

45. Details of employee benefits as required by Ind-AS 19 – "Employee benefits are as under"

(i) Defined contribution plan – Provident fund and other funds  
The company has recognized following amounts in the profit & loss account for the year/ period:

| Particulars (₹ in MM)                                            | For the year ended March 31, |        |
|------------------------------------------------------------------|------------------------------|--------|
|                                                                  | 2025                         | 2024   |
| <b>Provident fund</b>                                            |                              |        |
| Employer's Contribution                                          | ₹19.28                       | ₹17.88 |
| Administration charges                                           | ₹0.77                        | ₹0.73  |
| <b>Employer's Contribution to ESI (Employee State Insurance)</b> | ₹2.77                        | ₹3.17  |
| Total                                                            | ₹22.82                       | ₹21.77 |

(ii) Defined Defined benefit plan  
1) The defined benefit plan comprises gratuity, which is funded  
2) Actuarial gains and losses in respect of defined benefit plans are recognized in the Other Comprehensive Income

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972  
These defined benefit plans expose the Company to actuarial risks, such as longevity risk and interest rate risk

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss, the funded status and amounts recognised in balance sheet for the plan

Changes in the present value of the defined benefit obligation are as follows

| Particulars (₹in MM)                                                    | As at March 31, |        |
|-------------------------------------------------------------------------|-----------------|--------|
|                                                                         | 2025            | 2024   |
| <b>Present Value of Benefit Obligation at the Beginning of the year</b> | ₹47.79          | ₹33.33 |
| Interest cost                                                           | ₹3.43           | ₹2.50  |
| Current service cost                                                    | ₹10.08          | ₹8.29  |
| Benefits paid                                                           | -₹1.78          | -₹0.34 |
| <b>Actuarial (Gains)/Losses on Obligations –</b>                        |                 |        |
| - Due to Change in Demographic Assumptions                              | ₹0.00           | ₹0.00  |
| - Due to Change in Financial Assumptions                                | ₹3.32           | ₹1.69  |
| - Due to Experience                                                     | ₹1.32           | ₹2.33  |
| Present value of obligation at the end of the year                      | ₹64.16          | ₹47.79 |



Annexure V – Notes forming part of Financial Statements

45. Details of employee benefits as required by Ind-AS 19 –

Changes in the fair value of plan assets are as follows

| Particulars (₹ in MM)                                          | As at March 31, |        |
|----------------------------------------------------------------|-----------------|--------|
|                                                                | 2025            | 2024   |
| Fair value of plan assets at the beginning of the year         | ₹50.49          | ₹36.24 |
| Interest income                                                | ₹3.62           | ₹2.72  |
| Contributions                                                  | ₹10.60          | ₹12.32 |
| Mortality charges and taxes                                    | ₹0.00           | ₹0.00  |
| Benefits paid                                                  | -₹1.78          | -₹0.34 |
| Return on plan assets, excluding amount recognized in Interest | -₹0.34          | -₹0.44 |
| Fair value of Plan assets at end of the year                   | ₹62.60          | ₹50.49 |

Net interest cost for current period

| Particulars (₹ in MM)                                              | For the year ended March 31, |         |
|--------------------------------------------------------------------|------------------------------|---------|
|                                                                    | 2025                         | 2024    |
| Present Value of Benefit Obligation at the Beginning of the Period | ₹47.79                       | ₹33.33  |
| Fair Value of Plan Assets at the Beginning of the Period           | -₹50.49                      | -₹36.24 |
| Net Interest Cost for Current Period                               | -₹2.71                       | -₹2.91  |
| Interest Cost                                                      | ₹3.43                        | ₹2.50   |
| Interest Income                                                    | -₹3.62                       | -₹2.72  |
| Net Interest Cost for Current Period                               | -₹0.20                       | -₹0.22  |

Net employee benefit expense on account of gratuity recognised in employee benefit expenses

| Particulars (₹ in MM)          | For the year ended March 31, |        |
|--------------------------------|------------------------------|--------|
|                                | 2025                         | 2024   |
| Current service cost           | ₹10.08                       | ₹8.29  |
| Net interest (Income)/ Expense | -₹0.20                       | -₹0.22 |
| Net benefit expense            | ₹9.89                        | ₹8.07  |

Amount recognised in the statement of other comprehensive income

| Particulars (₹ in MM)                                                                                | For the year ended March 31, |       |
|------------------------------------------------------------------------------------------------------|------------------------------|-------|
|                                                                                                      | 2025                         | 2024  |
| Re-measurement for the year - obligation (gain) / loss                                               | ₹4.63                        | ₹4.02 |
| Re-measurement for the year - plan assets (gain) / loss                                              | ₹0.34                        | ₹0.44 |
| Total re-measurements cost / (credit) for the period / year recognised in other comprehensive income | ₹4.97                        | ₹4.46 |

45. Details of employee benefits as required by Ind-AS 19 –

Net Defined Benefit Liability/(Asset) for the year

| Particulars (₹ in MM)                         | As at March 31, |        |
|-----------------------------------------------|-----------------|--------|
|                                               | 2025            | 2024   |
| Defined Benefit Obligation                    | ₹64.16          | ₹47.79 |
| Fair value of plan assets                     | ₹62.60          | ₹50.49 |
| Closing net defined benefit liability/(asset) | ₹1.55           | -₹2.70 |

| Particulars (₹ in MM) | As at March 31, |        |
|-----------------------|-----------------|--------|
|                       | 2025            | 2024   |
| Current               | ₹1.55           | -₹2.70 |
| Non-Current           | ₹0.00           | ₹0.00  |

The principal assumptions used in determining gratuity obligations for the Company’s plan are shown below:

Assumptions

| Particulars                             | As at March 31, |               |
|-----------------------------------------|-----------------|---------------|
|                                         | 2025            | 2024          |
|                                         | %               | %             |
|                                         | Indian          | Indian        |
|                                         | Assured Lives   | Assured Lives |
|                                         | Mortality       | Mortality     |
|                                         | 2012-14         | 2012-14       |
|                                         | (Urban)         | (Urban)       |
| Mortality table                         |                 |               |
| Discount rate                           | 6.81%           | 7.22%         |
| Rate of increase in compensation levels | 8.00%           | 8.00%         |
| Expected rate of return on plan assets  | 6.81%           | 7.22%         |
| Withdrawal rate #                       |                 |               |
| Age up to 30 years                      | 5.00%           | 5.00%         |
| Age 31 - 40 years                       | 5.00%           | 5.00%         |
| Age 41 - 50 years                       | 5.00%           | 5.00%         |
| Age above 50 years                      | 5.00%           | 5.00%         |



Annexure V – Notes forming part of Financial Statements

45. Details of employee benefits as required by Ind-AS 19

A quantitative sensitivity analysis for significant assumption as at 31 March 2025 & 31 March 2024 is as shown below:

| Assumptions                                          | Defined benefit obligation |                  |                      |                  |
|------------------------------------------------------|----------------------------|------------------|----------------------|------------------|
|                                                      | As at March 31, 2025       |                  | As at March 31, 2024 |                  |
|                                                      | Increase by                | Decrease by      | Increase by          | Decrease by      |
|                                                      | 100 basis points           | 100 basis points | 100 basis points     | 100 basis points |
| Delta effect of 1% change in rate of discounting     | -₹7.65                     | ₹9.33            | -₹5.63               | ₹6.88            |
| Delta effect of 1% change in rate of salary increase | ₹8.44                      | -₹7.28           | ₹6.34                | -₹5.47           |
| Delta effect of 1% change in rate of employee        | -₹1.06                     | ₹1.19            | -₹0.64               | ₹0.71            |

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the Present value of obligation and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying one parameter at a time and studying its impact.

Expected future benefit payments

The following benefit payments, for each of the next five years and the aggregate five years thereafter, are expected to be paid:

| Duration of defined benefit payments | March 31, 2025 | March 31, 2024 |
|--------------------------------------|----------------|----------------|
| 1st Following Year                   | 2.22           | 2.09           |
| 2nd Following Year                   | 2.69           | 1.98           |
| 3rd Following Year                   | 2.86           | 2.24           |
| 4th Following Year                   | 3.13           | 2.36           |
| 5th Following Year                   | 3.46           | 2.54           |
| Sum of Years 6 To 10                 | 18.53          | 14.25          |
| Sum of Years 11 and above            | 162.93         | 132.37         |

46. Stock options scheme

Aether Industries Limited – Employee Stock Option Scheme – 2021 (AIL ESOS 2021)

The Company has instituted equity-settled Employee Stock Option Scheme – 2021 duly approved by the shareholders in the extra-ordinary general meeting of the Company held on 18 November 2021. The Company introduced the AIL ESOS 2021 primarily with a

view to attract, retain and incentivise the existing and new employees of the Company and motivate them to contribute to the growth and profitability of the Company. The shareholders by way of special resolution have authorised the Nomination and Remuneration Committee to grant options not exceeding 11,00,000 to the eligible employees under the AIL ESOS 2021, in one or more tranches, with each such option conferring a right upon the Eligible employee to apply for one share of the Company.

As per AIL ESOS 2021, the Nomination and Remuneration Committee shall determine the eligibility criteria for employees to whom the options would be granted and shall approve the grant of options. The options granted on any date shall vest not earlier than 1 (one) year and not later than a maximum of 7 (seven) years from the date of grant of options. Vesting of options would be subject to continued employment with the Company. The exercise period shall be 7 (seven) years from the date of vesting of options. The vested options can be exercised by the employee any time within the exercise period, or such other shorter period as may be prescribed by the Nomination and Remuneration Committee from time to time and as set out in the Grant Letter.

The scheme was modified on 27 September 2022 and the revised terms are prospectively applicable to all grants under the scheme. The modified terms are defined as follows:

The vesting period is minimum 1 (one) year but not later than 15 (fifteen) years from the date of grant of options. Vesting of options would be subject to continued employment with the Company. The exercise period shall be 15 (fifteen) years from the date of vesting of options, subject to exceptional circumstances. The vested options can be exercised by the employee any time within the exercise period, or such other shorter period as may be prescribed by the Nomination and Remuneration Committee from time to time and as set out in the Grant Letter.

Under the said scheme Nomination and Remuneration Committee of the board of directors has granted following options to its eligible employees:

| Grant Date        | Tranche  | No. of options | Total no. of options |
|-------------------|----------|----------------|----------------------|
| November 20, 2021 | Trench 1 | 1,81,122       | 4,08,163             |
| November 20, 2022 | Trench 2 | 12,461         |                      |
| November 20, 2022 | Trench 3 | 24,922         |                      |
| November 20, 2022 | Trench 4 | 3,181          |                      |
| May 09, 2023      | Trench 5 | 1,35,114       |                      |
| August 18, 2023   | Trench 6 | 4,692          |                      |
| July 18, 2024     | Trench 7 | 11,805         |                      |
| December 17, 2024 | Trench 8 | 34,866         |                      |



Annexure V – Notes forming part of Financial Statements

46. Stock options scheme

Reconciliation of outstanding employee stock options

| Particulars                        | As at March 31, 2025                  |           | As at March 31, 2024                  |           |
|------------------------------------|---------------------------------------|-----------|---------------------------------------|-----------|
|                                    | Weighted                              | Number of | Weighted                              | Number of |
|                                    | average exercise price per option (₹) | options   | average exercise price per option (₹) | options   |
| Opening balance                    | ₹597.39                               | 2,79,232  | ₹321.00                               | 1,74,156  |
| Granted during the year            | ₹522.68                               | 46,671    | ₹885.00                               | 1,39,806  |
| Exercised during the year          | ₹321.00                               | 39,968    | ₹321.00                               | 26,732    |
| Forfeited / Lapsed during the year | ₹655.38                               | 12,386    | ₹643.69                               | 7,998     |
| Closing Balance                    | ₹622.40                               | 2,73,549  | ₹597.39                               | 2,79,232  |
| Options exercisable at the end of  | -                                     | 0         | -                                     | 0         |

Weighted average share price on the date of exercise is ₹862.14/- (Previous Year: ₹882.45\*)

\*Weighted average exercise price of shares is required to be disclosed, where share options are exercised during the period.

Stock options outstanding at the end of the period have the following remaining contractual life

| Grant date        | Expiry date       | Exercise price (₹) | Options outstanding as at 31 March 2025 | Options outstanding as at 31 March 2024 |
|-------------------|-------------------|--------------------|-----------------------------------------|-----------------------------------------|
| November 20, 2021 | November 20, 2027 | ₹321.00            | 0                                       | 26,616                                  |
| November 20, 2021 | November 20, 2028 | ₹321.00            | 23,030                                  | 24,072                                  |
| November 20, 2021 | November 20, 2029 | ₹321.00            | 20,040                                  | 21,044                                  |
| November 20, 2021 | November 20, 2030 | ₹321.00            | 19,046                                  | 19,969                                  |
| November 20, 2021 | November 20, 2031 | ₹321.00            | 12,693                                  | 13,308                                  |
| November 20, 2022 | November 20, 2026 | ₹321.00            | 0                                       | 10,384                                  |
| November 20, 2022 | November 20, 2027 | ₹321.00            | 6,231                                   | 10,384                                  |
| November 20, 2022 | November 20, 2028 | ₹321.00            | 10,384                                  | 10,384                                  |
| November 20, 2022 | November 20, 2029 | ₹321.00            | 6,231                                   | 6,231                                   |
| May 09, 2023      | May 09, 2028      | ₹885.00            | 41,616                                  | 44,049                                  |
| May 09, 2023      | May 09, 2029      | ₹885.00            | 41,616                                  | 44,049                                  |
| May 09, 2023      | May 09, 2030      | ₹885.00            | 41,616                                  | 44,049                                  |
| August 18, 2023   | August 18, 2028   | ₹885.00            | 1,564                                   | 1,564                                   |
| August 18, 2023   | August 18, 2029   | ₹885.00            | 1,564                                   | 1,564                                   |
| August 18, 2023   | August 18, 2030   | ₹885.00            | 1,564                                   | 1,564                                   |

| Grant date                                                                                      | Expiry date      | Exercise price (₹) | Options outstanding as at 31 March 2025 | Options outstanding as at 31 March 2024 |
|-------------------------------------------------------------------------------------------------|------------------|--------------------|-----------------------------------------|-----------------------------------------|
| July 18, 2024                                                                                   | July 18, 2027    | ₹885.00            | 3,935                                   |                                         |
| July 18, 2024                                                                                   | July 18, 2028    | ₹885.00            | 3,935                                   |                                         |
| July 18, 2024                                                                                   | July 18, 2029    | ₹885.00            | 3,935                                   |                                         |
| December 17, 2024                                                                               | January 15, 2026 | ₹400.00            | 34,550                                  |                                         |
| Total                                                                                           |                  |                    | 2,73,549                                | 2,79,231                                |
| Weighted average remaining contractual life of the options outstanding at the end of the period |                  |                    | 4.34 years                              | 3.52 years                              |

Fair value of the options granted

The fair value of the options granted is mentioned below as per vesting period. The fair value of the options is determined using Black-Scholes-Merton model which takes into account the exercise price, the term of the option (time to maturity), the share price as at the grant date and expected price volatility (standard deviation) of the underlying share, the expected dividend yield and risk-free interest rate for the term of the option.

Fair value and assumptions for the equity-settled grant made on December 17, 2024

| Grant: AIL ESOS 2021          | Vesting date     |
|-------------------------------|------------------|
| Grant Date: December 17, 2024 | January 15, 2026 |

Input variables

|                                 |         |
|---------------------------------|---------|
| Stock price per share (₹)       | ₹877.30 |
| Standard Deviation (Volatility) | 27.94%  |
| Risk-free rate                  | 6.67%   |
| Exercise price (₹.)             | ₹400.00 |
| Time to maturity (in years)     | 2.00    |
| Dividend yield                  | 0.00%   |

Output

|                           |         |
|---------------------------|---------|
| Fair value of options (₹) | ₹529.92 |
|---------------------------|---------|

Fair value and assumptions for the equity-settled grant made on July 18, 2024

| Grant: AIL ESOS 2021 (modified) | Vesting date  |               |               |
|---------------------------------|---------------|---------------|---------------|
| Grant Date: July 18, 2024       | July 18, 2025 | July 18, 2026 | July 18, 2027 |

Input variables

|                                 |         |         |         |
|---------------------------------|---------|---------|---------|
| Stock price per share (₹)       | ₹890.10 | ₹890.10 | ₹890.10 |
| Standard Deviation (Volatility) | 31.22%  | 34.35%  | 36.47%  |
| Risk-free rate                  | 6.88%   | 6.88%   | 6.91%   |
| Exercise price (₹)              | ₹885.00 | ₹885.00 | ₹885.00 |
| Time to maturity (in years)     | 2.00    | 3.00    | 4.00    |



Annexure V – Notes forming part of Financial Statements

| Fair value and assumptions for the equity-settled grant made on July 18, 2024     |                   |                   |                   |  |
|-----------------------------------------------------------------------------------|-------------------|-------------------|-------------------|--|
| Grant: AIL ESOS 2021 (modified)                                                   | Vesting date      |                   |                   |  |
|                                                                                   | July 18, 2025     | July 18, 2026     | July 18, 2027     |  |
| Grant Date: July 18, 2024                                                         |                   |                   |                   |  |
| Dividend yield                                                                    | 0.00%             | 0.00%             | 0.00%             |  |
| Output                                                                            |                   |                   |                   |  |
| Fair value of options (₹)                                                         | ₹212.00           | ₹284.33           | ₹347.22           |  |
| Fair value and assumptions for the equity-settled grant made on August 18, 2023   |                   |                   |                   |  |
| Grant: AIL ESOS 2021 (modified)                                                   | Vesting date      |                   |                   |  |
|                                                                                   | May 9, 2025       | May 9, 2026       | May 9, 2027       |  |
| Grant Date: August 18, 2023                                                       |                   |                   |                   |  |
| Input variables                                                                   |                   |                   |                   |  |
| Stock price per share (₹)                                                         | ₹1,040.55         | ₹1,040.55         | ₹1,040.55         |  |
| Standard Deviation (Volatility)                                                   | 34.07%            | 38.42%            | 37.42%            |  |
| Risk-free rate                                                                    | 7.22%             | 7.22%             | 7.21%             |  |
| Exercise price (₹)                                                                | ₹885.00           | ₹885.00           | ₹885.00           |  |
| Time to maturity (in years)                                                       | 2.72              | 3.72              | 4.72              |  |
| Dividend yield                                                                    | 0.00%             | 0.00%             | 0.00%             |  |
| Output                                                                            |                   |                   |                   |  |
| Fair value of options (₹)                                                         | ₹389.24           | ₹468.17           | ₹513.85           |  |
| Fair value and assumptions for the equity-settled grant made on May 9, 2023       |                   |                   |                   |  |
| Grant: AIL ESOS 2021 (modified)                                                   | Vesting date      |                   |                   |  |
|                                                                                   | May 9, 2025       | May 9, 2026       | May 9, 2027       |  |
| Grant Date: May 9, 2023                                                           |                   |                   |                   |  |
| Input variables                                                                   |                   |                   |                   |  |
| Stock price per share (₹)                                                         | ₹931.90           | ₹931.90           | ₹931.90           |  |
| Standard Deviation (Volatility)                                                   | 44.72%            | 43.19%            | 43.1%             |  |
| Risk-free rate                                                                    | 6.99%             | 7.00%             | 7.03%             |  |
| Exercise price (₹)                                                                | ₹885.00           | ₹885.00           | ₹885.00           |  |
| Time to maturity (in years)                                                       | 3.00              | 4.00              | 5.00              |  |
| Dividend yield                                                                    | 0.00%             | 0.00%             | 0.00%             |  |
| Output                                                                            |                   |                   |                   |  |
| Fair value of options (₹.)                                                        | ₹400.29           | ₹443.53           | ₹487.97           |  |
| Fair value and assumptions for the equity-settled grant made on November 20, 2022 |                   |                   |                   |  |
| i. Tranche I                                                                      |                   |                   |                   |  |
| Grant: AIL ESOS 2021 (modified)                                                   | Vesting date      |                   |                   |  |
|                                                                                   | November 20, 2023 | November 20, 2023 | November 20, 2023 |  |
| Grant Date: November 22, 2022                                                     |                   |                   |                   |  |
| Input variables                                                                   |                   |                   |                   |  |
| Stock price per share (₹)                                                         | ₹985.35           | ₹985.35           | ₹985.35           |  |
| Standard Deviation (Volatility)                                                   | 43.46%            | 42.33%            | 42.68%            |  |
| Risk-free rate                                                                    | 7.26%             | 7.34%             | 7.35%             |  |
| Exercise price (₹)                                                                | ₹503.00           | ₹503.00           | ₹503.00           |  |
| Time to maturity (in years)                                                       | 5.50              | 6.50              | 7.50              |  |
| Dividend yield                                                                    | 0.00%             | 0.00%             | 0.00%             |  |
| Output                                                                            |                   |                   |                   |  |
| Fair value of options (₹)                                                         | ₹688.80           | ₹713.27           | ₹738.17           |  |

| Fair value and assumptions for the equity-settled grant made on November 20, 2022 |                   |                   |                   |                   |                   |                   |                   |  |
|-----------------------------------------------------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--|
| Grant: AIL ESOS 2021 (modified)                                                   | Vesting date      |                   |                   |                   |                   |                   |                   |  |
|                                                                                   | November 20, 2023 | November 20, 2024 | November 20, 2025 | November 20, 2026 | November 20, 2027 | November 20, 2028 | November 20, 2029 |  |
| Grant Date: November 22, 2022                                                     |                   |                   |                   |                   |                   |                   |                   |  |
| Standard Deviation (Volatility)                                                   | 44.39%            | 45.90%            | 44.84%            |                   |                   |                   |                   |  |
| Risk-free rate                                                                    | 7.03%             | 7.12%             | 7.16%             |                   |                   |                   |                   |  |
| Exercise price (₹)                                                                | ₹321.00           | ₹321.00           | ₹321.00           |                   |                   |                   |                   |  |
| Time to maturity (in years)                                                       | 2.50              | 3.50              | 4.50              |                   |                   |                   |                   |  |
| Dividend yield                                                                    | 0.00%             | 0.00%             | 0.00%             |                   |                   |                   |                   |  |
| Output                                                                            |                   |                   |                   |                   |                   |                   |                   |  |
| Fair value of options (₹)                                                         | ₹720.47           | ₹744.50           | ₹764.60           |                   |                   |                   |                   |  |
| ii. Tranche II                                                                    |                   |                   |                   |                   |                   |                   |                   |  |
| Grant: AIL ESOS 2021 (modified)                                                   | Vesting date      |                   |                   |                   |                   |                   |                   |  |
|                                                                                   | November 20, 2023 | November 20, 2024 | November 20, 2025 | November 20, 2026 | November 20, 2027 | November 20, 2028 | November 20, 2029 |  |
| Grant Date: November 22, 2022                                                     |                   |                   |                   |                   |                   |                   |                   |  |
| Input variables                                                                   |                   |                   |                   |                   |                   |                   |                   |  |
| Stock price per share (₹)                                                         | ₹985.35           | ₹985.35           | ₹985.35           | ₹985.35           |                   |                   |                   |  |
| Standard Deviation                                                                | 46.81%            | 44.37%            | 44.20%            | 42.66%            |                   |                   |                   |  |
| Risk-free rate                                                                    | 7.08%             | 7.12%             | 7.18%             | 7.31%             |                   |                   |                   |  |
| Exercise price (₹)                                                                | ₹321.00           | ₹321.00           | ₹321.00           | ₹321.00           |                   |                   |                   |  |
| Time to maturity (in years)                                                       | 3.00              | 4.00              | 5.00              | 6.00              |                   |                   |                   |  |
| Dividend yield                                                                    | 0.00%             | 0.00%             | 0.00%             | 0.00%             |                   |                   |                   |  |
| Output                                                                            |                   |                   |                   |                   |                   |                   |                   |  |
| Fair value of options (₹)                                                         | ₹733.86           | ₹753.56           | ₹773.65           | ₹791.09           |                   |                   |                   |  |
| iii. Tranche III                                                                  |                   |                   |                   |                   |                   |                   |                   |  |
| Grant: AIL ESOS 2021 (modified)                                                   | Vesting date      |                   |                   |                   |                   |                   |                   |  |
|                                                                                   | November 20, 2024 | November 20, 2025 | November 20, 2026 | November 20, 2027 | November 20, 2028 | November 20, 2029 | November 20, 2030 |  |
| Grant Date: November 22, 2022                                                     |                   |                   |                   |                   |                   |                   |                   |  |
| Input variables                                                                   |                   |                   |                   |                   |                   |                   |                   |  |
| Stock price per share (₹)                                                         | ₹985.35           | ₹985.35           | ₹985.35           | ₹985.35           | ₹985.35           | ₹985.35           | ₹985.35           |  |
| Standard Deviation (Volatility)                                                   | 43.46%            | 42.33%            | 42.68%            | 42.17%            | 42.45%            | 42.42%            | 43.11%            |  |
| Risk-free rate                                                                    | 7.26%             | 7.34%             | 7.35%             | 7.35%             | 7.33%             | 7.36%             | 7.38%             |  |
| Exercise price (₹)                                                                | ₹503.00           | ₹503.00           | ₹503.00           | ₹503.00           | ₹503.00           | ₹503.00           | ₹503.00           |  |
| Time to maturity (in years)                                                       | 5.50              | 6.50              | 7.50              | 8.50              | 9.50              | 10.50             | 11.50             |  |
| Dividend yield                                                                    | 0.00%             | 0.00%             | 0.00%             | 0.00%             | 0.00%             | 0.00%             | 0.00%             |  |
| Output                                                                            |                   |                   |                   |                   |                   |                   |                   |  |
| Fair value of options (₹)                                                         | ₹688.80           | ₹713.27           | ₹738.17           | ₹758.11           | ₹777.93           | ₹795.74           | ₹813.86           |  |



Annexure V – Notes forming part of Financial Statements

|                                                                                  |                   |                   |                   |                   |                   |                   |                   |
|----------------------------------------------------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Fair value and assumptions for the equity-settled grant made on 20 November 2021 |                   |                   |                   |                   |                   |                   |                   |
| Grant: AIL ESOS 2021<br>(modified)                                               | Vesting date      |                   |                   |                   |                   |                   |                   |
|                                                                                  | November 20, 2022 | November 20, 2023 | November 20, 2024 | November 20, 2025 | November 20, 2026 | November 20, 2027 | November 20, 2028 |
| Grant Date: November 22, 2021                                                    |                   |                   |                   |                   |                   |                   |                   |
| Input variables                                                                  |                   |                   |                   |                   |                   |                   |                   |
| Stock price per share (₹)                                                        | ₹411.81           | ₹411.81           | ₹411.81           | ₹411.81           | ₹411.81           | ₹411.81           | ₹411.81           |
| Standard Deviation (Volatility)                                                  | 41.64%            | 40.62%            | 41.21%            | 40.77%            | 41.31%            | 41.35%            | 41.89%            |
| Risk-free rate                                                                   | 5.72%             | 5.96%             | 6.19%             | 6.29%             | 6.36%             | 6.37%             | 6.48%             |
| Exercise price (₹)                                                               | ₹321.00           | ₹321.00           | ₹321.00           | ₹321.00           | ₹321.00           | ₹321.00           | ₹321.00           |
| Time to maturity (in years)                                                      | 4.50              | 5.50              | 6.50              | 7.50              | 8.50              | 9.50              | 10.50             |
| Dividend yield                                                                   | 0.00%             | 0.00%             | 0.00%             | 0.00%             | 0.00%             | 0.00%             | 0.00%             |
| Output                                                                           |                   |                   |                   |                   |                   |                   |                   |
| Fair value of options (₹)                                                        | ₹210.91           | ₹226.79           | ₹244.51           | ₹257.65           | ₹271.43           | ₹282.50           | ₹294.59           |

**Rationale for principal variables used**

- Time to maturity of options is the period of time from the grant date to the date on which option is expected to be exercised. The minimum life of stock option is the minimum period before which the options cannot be exercised, and maximum life is the period after which the options cannot be exercised.
- The expected price volatility is based on the historic volatility, adjusted for any changes to future volatility due to publicly available information.

The company has recorded employee share-based compensation expense in the current year amounting to ₹33.27 million (Previous year: ₹36.76 million) for the options granted to the employees.

47. Revenue from contracts with customers

(a) Reconciliation of revenue recognised with the contracted price is as follows

|                                                                                 |                              |           |
|---------------------------------------------------------------------------------|------------------------------|-----------|
| Particulars (₹ in MM)                                                           | For the year ended March 31, |           |
|                                                                                 | 2025                         | 2024      |
| Gross sales (contracted price)                                                  | ₹7,889.01                    | ₹5,965.45 |
| Reductions towards variable consideration (Discount & Delayed Delivery Charges) | -₹3.83                       | -₹8.76    |
| Revenue recognised                                                              | ₹7,885.18                    | ₹5,956.69 |

The Company derives its revenue from contracts with customers for the transfer of goods and services at a point in time and over the period in the following major product lines. The disclosure of revenue by product line is consistent with the revenue information that is disclosed for each reportable segment under Ind AS 108.

(b) Revenue by Business Classification

|                                                      |                              |           |
|------------------------------------------------------|------------------------------|-----------|
| Particulars (₹ in MM)                                | For the year ended March 31, |           |
|                                                      | 2025                         | 2024      |
| Large Scale Manufacturing (LSM)                      | ₹4,623.54                    | ₹3,539.49 |
| Contract / Exclusive Manufacturing (CEM)             | ₹2,128.36                    | ₹1,534.53 |
| Contract Research and Manufacturing Services (CRAMS) | ₹1,027.54                    | ₹826.61   |
| Others                                               | ₹105.74                      | ₹56.06    |
| Total revenue                                        | ₹7,885.18                    | ₹5,956.69 |

(c) Revenue by Geographies / Regions:

|                                  |                              |           |
|----------------------------------|------------------------------|-----------|
| Particulars (₹ in MM)            | For the year ended March 31, |           |
|                                  | 2025                         | 2024      |
| India (including Deemed Exports) | ₹4,372.77                    | ₹3,458.59 |
| India (SEZ)                      | ₹337.61                      | ₹347.59   |
| Mexico                           | ₹880.05                      | ₹57.53    |
| Germany                          | ₹530.38                      | ₹432.86   |
| USA                              | ₹482.19                      | ₹342.98   |
| Spain                            | ₹385.94                      | ₹232.41   |
| Japan                            | ₹198.84                      | ₹210.49   |
| Italy                            | ₹148.22                      | ₹644.75   |
| Switzerland                      | ₹135.29                      | ₹6.56     |
| China                            | ₹133.15                      | ₹44.91    |
| Netherlands                      | ₹65.25                       | ₹55.76    |
| United Kingdom                   | ₹53.48                       | ₹9.11     |
| Czech Republic                   | ₹50.48                       | -         |
| Belgium                          | ₹27.75                       | ₹0.14     |
| Israel                           | ₹27.55                       | ₹58.45    |
| France                           | ₹21.80                       | ₹1.03     |
| Sweden                           | ₹12.59                       | ₹12.76    |
| Taiwan                           | ₹12.29                       | ₹4.00     |
| Romania                          | ₹7.44                        | ₹14.94    |
| Hungary                          | ₹2.11                        | ₹21.83    |
| Total revenue                    | ₹7,885.18                    | ₹5,956.69 |



Annexure V – Notes forming part of Financial Statements

48. Leases

(a) For Right-of-use assets schedule – Please refer note 5

(b) Lease liabilities

| Particulars (₹ in MM) | As at March 31, |         |
|-----------------------|-----------------|---------|
|                       | 2025            | 2024    |
| Current               | ₹25.32          | ₹24.46  |
| Non-current           | ₹148.09         | ₹119.37 |
| Total                 | ₹173.41         | ₹143.84 |

(c) Interest expenses on lease liabilities

| Particulars (₹ in MM)         | For the year ended March 31, |        |
|-------------------------------|------------------------------|--------|
|                               | 2025                         | 2024   |
| Interest on lease liabilities | ₹14.10                       | ₹15.68 |

(d) Expenses on short term leases / low value assets

| Particulars (₹ in MM) | For the year ended March 31, |       |
|-----------------------|------------------------------|-------|
|                       | 2025                         | 2024  |
| Short-term lease      | ₹6.93                        | ₹3.21 |
| Non-current           | ₹0.00                        | ₹0.23 |

(e) Amounts recognised in the statement of cash flow

| Particulars (₹ in MM)         | For the year ended March 31, |        |
|-------------------------------|------------------------------|--------|
|                               | 2025                         | 2024   |
| Total cash outflow for leases | ₹25.28                       | ₹26.23 |

(f) Maturity analysis – contractual un-discounted cash flows

| Particulars (₹ in MM)                 | As at March 31, |         |
|---------------------------------------|-----------------|---------|
|                                       | 2025            | 2024    |
| Less than one year                    | ₹25.27          | ₹24.46  |
| One year to five years                | ₹63.42          | ₹70.54  |
| More than five years                  | ₹313.35         | ₹202.79 |
| Total un-discounted lease liabilities | ₹402.04         | ₹297.80 |

49. Operating segment

| Particulars (₹ in MM)                                               | For the year ended March 31, |           |
|---------------------------------------------------------------------|------------------------------|-----------|
|                                                                     | 2025                         | 2024      |
| Sales value                                                         |                              |           |
| India                                                               | ₹4,710.38                    | ₹3,806.18 |
| Rest of the world                                                   | ₹3,174.80                    | ₹2,150.51 |
|                                                                     | ₹7,885.18                    | ₹5,956.69 |
| Carrying amount of assets*                                          |                              |           |
| India                                                               | ₹359.02                      | ₹921.68   |
| Rest of the world                                                   | ₹2,281.15                    | ₹1,377.54 |
|                                                                     | ₹2,640.16                    | ₹2,299.21 |
| * Segment assets represent trade receivables                        |                              |           |
| Additions to property, plant and equipment, right of use assets and |                              |           |
| India                                                               | ₹2,840.51                    | ₹1,374.33 |
|                                                                     | ₹2,840.51                    | ₹1,374.33 |

50. Corporate social responsibility

As per the provisions of section 135 of Companies Act 2013, the Company was required to spend ₹29.00 million (March 31, 2024: ₹27.65 million), being 2% of average net profits made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy on the activities specified in Schedule VII of the Act. However, the Company has spent ₹28.63 million (March 31, 2024: ₹27.96 million) towards Corporate Social Responsibility activities. Below are the details of the amount spent during the year

| Particulars (₹ in MM)               | CSR Activities                                           | For the year ended March 31, |        |
|-------------------------------------|----------------------------------------------------------|------------------------------|--------|
|                                     |                                                          | 2025                         | 2024   |
| Aether Foundation                   | Training for sport which is recognised at national level | ₹1.52                        | ₹1.27  |
| Ambika Education Trust              | Promoting education in rural area                        | ₹2.00                        | ₹13.90 |
| A J Charitable Trust                | Facilities to old age homes – senior citizens            | ₹0.10                        | ₹0.00  |
| Adarsh Kelwani Mandal               | Promoting Education                                      | ₹0.50                        | ₹0.00  |
| Ankleshwar Rotary Education Society | Promoting Education                                      | ₹0.43                        | ₹0.00  |
| GCSA Foundation                     | Promoting Education                                      | ₹0.50                        | ₹0.00  |
| Gram Seva Samaj                     | Promoting Education                                      | ₹4.20                        | ₹0.00  |
| Indian Chemical Society             | Promoting Education                                      | ₹1.19                        | ₹1.60  |
| Institute of Chemical               | Promoting Education                                      | ₹1.23                        | ₹1.30  |
| Jivan Vikas Trust                   | Facilities to old age homes – senior citizens            | ₹0.60                        | ₹0.00  |
| Kalki Tejomaya Charitable Trust     | Promoting Education                                      | ₹0.20                        | ₹0.00  |



Annexure V – Notes forming part of Financial Statements

| Particulars (₹ in MM)                     | CSR Activities                                                                                 | For the year ended March 31, |        |
|-------------------------------------------|------------------------------------------------------------------------------------------------|------------------------------|--------|
|                                           |                                                                                                | 2025                         | 2024   |
| Kajorimal Basantilal Nagori Trust         | Promoting education in rural area                                                              | ₹0.50                        | ₹0.00  |
| Khadi Kutir                               | Promoting education                                                                            | ₹4.00                        | ₹0.00  |
| Kifi Association                          | Training for sport (kudo)                                                                      | ₹0.50                        | ₹0.00  |
| Shivam Education Trust                    | Nursing College Building                                                                       | ₹0.00                        | ₹1.15  |
| Surat Manav Seva Sangh                    | Disaster management, including relief, rehabilitation and reconstruction activities (CoVID-19) | ₹2.50                        | ₹0.35  |
| Surat Raktadan Kendra and Research Centre | Preventive health-care measure                                                                 | ₹0.65                        | ₹0.30  |
| Vanvasi Vikas Mandal, Waghai              | Promoting education in tribal and rural area for gilrs                                         | ₹0.70                        | ₹0.00  |
| Mahala Education Charitable Trust         | Promoting Education                                                                            | ₹5.80                        | ₹0.45  |
| Bardoli Pradesh Kelvani Mandal            | Promoting Education                                                                            | ₹0.00                        | ₹0.75  |
| Manav Seva Trust                          | Facilities to old age homes – senior citizens                                                  | ₹0.02                        | ₹0.02  |
| Nature Club                               | Animal Welfare                                                                                 | ₹0.50                        | ₹0.00  |
| Sparsh Samvedana Foundation               | Promoting Education                                                                            | ₹1.00                        | ₹0.00  |
| Seva Foundation                           | Providing Healthcare                                                                           | ₹0.00                        | ₹4.95  |
| Stranctuary Foundation                    | For Animal Welfare                                                                             | ₹0.00                        | ₹0.10  |
| Shree Ramnath Ghela Smasan                | For reducing in-equalities in socially and economically backward groups                        | ₹0.00                        | ₹1.10  |
| Bhumi Trust                               |                                                                                                |                              |        |
| Chimney Charitable Trust                  | For Medical Support                                                                            | ₹0.00                        | ₹0.73  |
| Total                                     |                                                                                                | ₹28.63                       | ₹27.97 |

51. Events subsequent to March 31, 2025

None

For Birju S. Shah & Associates, Chartered Accountants  
ICAI Firm Reg. No.: 131554W  
Birju S. Shah, Proprietor  
Membership No.: 107086 | UDIN: 25107086BMLCC17271  
Place: Surat | Date: May 2, 2025

For and on behalf of Board of Directors of  
Aether Industries Limited (CIN: L24100GJ2013PLC073434)  
Ashwin Desai, Managing Director — DIN: 00038386  
Rohan Desai, Whole Time Director — DIN: 00038379  
Faiz Nagariya, Chief Financial Officer — PAN: ADBPN8514G  
Chitrarth Parghi, Company Secretary — Mem. No.: F12563  
Place: Surat | Date: May 2, 2025

52. Ratios as per the Schedule III requirements

(a) Current Ratio = Current Assets divided by Current Liabilities

| Particulars (₹ in MM)       | As at March 31, |            |
|-----------------------------|-----------------|------------|
|                             | 2025            | 2024       |
| Current Assets              | ₹11,081.05      | ₹13,821.04 |
| Current Liabilities         | ₹2,712.49       | ₹2,395.65  |
| Current Ratio (Times)       | 4.09            | 5.77       |
| % Change from previous year | -29.19%         |            |

(b) Debt Equity ratio = Total debt divided by Total equity where total debt refers to sum of current & non current borrowings

| Particulars (₹ in MM)                | As at March 31, |            |
|--------------------------------------|-----------------|------------|
|                                      | 2025            | 2024       |
| Total Debt                           | ₹1,197.31       | ₹1,292.03  |
| Total Equity                         | ₹22,251.69      | ₹20,689.32 |
| Debt Equity Ratio (Times)            | 0.05            | 0.06       |
| % Change from previous period / year | -13.84%         |            |

(c) Debt Service Coverage Ratio (DSCR) = Earnings available for debt services divided by Total interest and principal repayments

| Particulars (₹ in MM)                                 | As at March 31, |           |
|-------------------------------------------------------|-----------------|-----------|
|                                                       | 2025            | 2024      |
| Profit for the year                                   | ₹1,520.90       | ₹880.98   |
| Add: Non cash operating expenses and finance cost     | ₹0.00           | ₹0.00     |
| Depreciation and amortisation expense                 | ₹427.97         | ₹394.15   |
| Finance costs                                         | ₹102.25         | ₹85.17    |
| Earnings available for debt services                  | ₹2,051.11       | ₹1,360.30 |
| Interest cost on borrowings                           | ₹85.45          | ₹62.98    |
| Principal repayments (including certain prepayments ) | ₹0.00           | ₹1.06     |
| Total Interest and principal repayments               | ₹85.45          | ₹64.04    |
| Debt Service Coverage Ratio (Times)                   | 24.00           | 21.24     |
| % Change from previous period / year                  | 13.01%          |           |



Annexure V – Notes forming part of Financial Statements

52. Ratios as per the Schedule III requirements

(d) Return on Equity Ratio / Return on Investment Ratio = Net profit after tax divided by Equity

| Particulars (₹ in MM)       | As at March 31, |            |
|-----------------------------|-----------------|------------|
|                             | 2025            | 2024       |
| Profit for the year         | ₹1,520.90       | ₹880.98    |
| Total Equity                | ₹22,251.69      | ₹20,689.32 |
| Return on Equity Ratio (%)  | 6.83%           | 4.26%      |
| % Change from previous year | 60.52%          |            |

(e) Inventory Turnover Ratio = Closing Inventory divided by Cost of Material Consumed plus Changes in Inventory in to 365/366

| Particulars (₹ in MM)           | As at March 31, |           |
|---------------------------------|-----------------|-----------|
|                                 | 2025            | 2024      |
| Credit Sales                    | ₹7,885.18       | ₹5,956.69 |
| Closing Inventory               | ₹3,864.85       | ₹3,412.39 |
| Inventory Turnover Ratio (Days) | 179             | 209       |
| % Change from previous year     | -14.44%         |           |

(f) Trade receivables turnover ratio = Credit Sales divided by Closing Trade Receivables in to 365/366

| Particulars (₹ in MM)          | As at March 31, |           |
|--------------------------------|-----------------|-----------|
|                                | 2025            | 2024      |
| Credit Sales                   | ₹7,885.18       | ₹5,956.69 |
| Closing Trade Receivables      | ₹2,640.16       | ₹2,299.22 |
| Trade Receivables Ratio (Days) | 122             | 141       |
| % Change from previous year    | -13.25%         |           |

(g) Trade payables turnover ratio = Closing trade payables divided by Cost of Materials Consumed in to 365/366

| Particulars (₹ in MM)          | As at March 31, |           |
|--------------------------------|-----------------|-----------|
|                                | 2025            | 2024      |
| Credit Sales                   | ₹4,135.64       | ₹3,193.45 |
| Closing Trade Receivables      | ₹1,141.43       | ₹938.24   |
| Trade Receivables Ratio (Days) | 101             | 107       |
| % Change from previous year    | -6.06%          |           |

52. Ratios as per the Schedule III requirements

(h) Net capital Turnover Ratio =Revenue from Operations divided by Net Working capital whereas net working capital= current assets – current liabilities

| Particulars (₹ in MM)              | As at March 31, |            |
|------------------------------------|-----------------|------------|
|                                    | 2025            | 2024       |
| Revenue from operations            | ₹7,885.18       | ₹5,956.69  |
| Net Working Capital                | ₹8,368.56       | ₹11,425.38 |
| Net Capital Turnover Ratio (Times) | 0.94            | 0.52       |
| % Change from previous year        | 80.73%          |            |

(i) Net profit ratio = Net profit after tax divided by Revenue from operations

| Particulars (₹ in MM)       | As at March 31, |           |
|-----------------------------|-----------------|-----------|
|                             | 2025            | 2024      |
| Profit for the year         | ₹1,520.90       | ₹880.98   |
| Revenue from operations     | ₹7,885.18       | ₹5,956.69 |
| Ratio (Times)               | 0.19            | 0.15      |
| % Change from previous year | 30.42%          |           |

(j) Return on Capital employed- pre cash (ROCE)=Earnings before interest and taxes(EBIT) divided by Capital Employed- pre cash

| Particulars (₹ in MM)                                  | As at March 31, |            |
|--------------------------------------------------------|-----------------|------------|
|                                                        | 2025            | 2024       |
| Profit/(Loss) before tax* (A)                          | ₹2,048.91       | ₹1,140.17  |
| Finance Costs* (B)                                     | ₹102.25         | ₹85.17     |
| Other income* (C)                                      | ₹443.16         | ₹442.64    |
| EBIT (D) = (A)+(B)-(C)                                 | ₹1,708.00       | ₹782.70    |
| Capital Employed- Pre Cash (K)=(E)+(F)+(G)-(H)-(I)-(J) | ₹21,051.48      | ₹16,425.16 |
| Total Equity (E)                                       | ₹22,251.69      | ₹20,689.32 |
| Non-Current Borrowings (F)                             | ₹0.00           | ₹0.00      |
| Current Borrowings (G)                                 | ₹1,197.31       | ₹1,292.03  |
| Current Investments (H)                                | ₹0.00           | ₹0.00      |
| Cash and Cash equivalents (I)                          | ₹173.70         | ₹53.54     |
| Bank balances other than cash and cash equivalents (J) | ₹2,223.81       | ₹5,502.65  |
| Debt Service Coverage Ratio (Times)                    | 8.11%           | 4.77%      |
| % Change from previous year                            | 70.26%          |            |



# Annexure V – Notes forming part of Financial Statements

Note: Improvement in most of the ratios is due to the increase in business and margins, which were impacted in FY 23-24 due to the fire accident. Moreover there has also been changes in the business models, wherein the revenues have increased in CEM & CRAMS along with increase in LSM.

## 53. Ratios as per the Schedule III requirements

### a. Registration of charges or satisfaction with Registrar of Companies (ROC):

The Company had registered various charges with the ROC within the statutory time period. During the financial year, the Company has repaid all its Term Loans and hence the collaterals have been released from the bank and accordingly the charges registered with ROC, have been satisfied.

### b. Details of Benami Property held:

The Company does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, hence no proceedings initiated or pending against the Company under the said Act and Rules.

**c. Loans and advances granted to specified person**  
Except as stated in the notes to accounts and financial statements, there are no other loans or advances granted to specified persons namely the promoters, directors, KMPs and related parties.

**d. Utilisation of borrowed funds, share premium and other funds:**  
The Company has not received any funds from any person or entity with the understanding that the Company would directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiary) or provided any guarantee or security or the like on behalf of the ultimate beneficiary,.

The Company has not advanced or loaned or invested to any other person(s), including foreign entities (Intermediaries) with the understanding that the intermediary shall:

- i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

**e. Compliance with the number of layers of companies:**  
The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017

**f. Details of Crypto Currency or Virtual Currency:**  
The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

**g. Undisclosed Income:**  
There is no transaction, which has not been recorded in the books of accounts, that has been surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961.

**h. Relationship with struck off companies**  
The Company has not have any transactions with companies, which are struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.



# Audit Report – Consolidated Financial Statements

To,  
The Members,  
Aether Industries Limited  
Surat

I. Audit Report on the Financial Statements

1. Opinion

- A. We have audited the accompanying consolidated annual financial statements of AETHER INDUSTRIES LIMITED (hereinafter referred to as the “Holding Company”) and its subsidiary (Holding Company and its subsidiary together referred to as “the Group”), for the year ended 31 March 2025 attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Discloser Requirements) Regulations, 2015, as amended from time (“Listing Regulations”).
- B. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Annual Financial Statements:
- a. include the annual financial statements of the following entities:
- i. Aether Industries Limited (Holding Company)
  - ii. Aether Speciality Chemical Limited (Subsidiary Company)
- b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard and give the information required by the Companies Act, 2013 (“the Act”) in the manner so required
- c. and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting

principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

2. Basis of Opinion

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

3. Information Other than the Consolidated Financial Statements and Auditor’s Report thereon

The Holding Company’s management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company’s annual report, but does not include the financial statements and our auditors’ report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the

other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

4. Managements’ and Board of Directors’ Responsibilities for the Consolidated Annual Financial Statements

The Holding Company’s Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial statements that give a true and fair view of the net profit/loss and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The responsibility also includes maintenance of adequate records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated annual financial

statements, the Management and the Board of Directors are responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Group are responsible for overseeing the Companies’ financial reporting process of the respective companies.

5. Auditor’s Responsibilities for the Audit of the Consolidated Annual Financial Statements

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

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

- i. Identify and assess the risks of material misstatement of the consolidated annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement



# Audit Report – Consolidated Financial Statements

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| <p>resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.</p> <p>ii. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.</p> <p>iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated annual financial statements made by the Management and Board of directors.</p> <p>iv. Conclude on the appropriateness of the Management and Board of Director’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.</p> <p>v. Evaluate the overall presentation, structure and</p> | <p>content of the consolidated annual financial statements, including the disclosures, and whether the consolidated annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.</p> <p>vi. Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.</p> <p>We believe that the audit evidence obtained by us along with the consideration of our audit report on the subsidiary company is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.</p> <p>We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.</p> <p>We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.</p> <p>II. Report on Other Legal and Regulatory Requirements</p> | <p>(A) As required by Section 143(3) of the Act, based on our audit and on separate financial statements of such subsidiary which were audited us, we report, to the extent applicable, that:</p> <p>a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid financial statements.</p> <p>b. In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and our report of the subsidiary.</p> <p>c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.</p> <p>d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.</p> <p>e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2025 taken on record by the Board of Directors of the Holding Company and our report of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.</p> | <p>f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”.</p> <p>g. In our opinion and according to the information and explanations given to us, the remuneration paid by the companies forming part of the Group to its Director’s during the current year is in accordance with the provisions of section 197 of the Act. The Ministry of Corporate affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.</p> <p>h. With respect to the other matters to be included in the Auditors’ Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:</p> <p>i. The companies forming part of the Group do not have any pending litigations which would impact the financial position of the Group as at 31 March 2025.</p> <p>ii. The companies forming part of the Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.</p> <p>iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the companies forming part of the Group.</p> <p>iv.</p> <p>a. The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have</p> |
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# Audit Report – Consolidated Financial Statements

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| <p>represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, outside the Group, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.</p>                                           | <p>and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <p>b. The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.</p> | <p>v. The company has not declared or paid any dividend during the year in accordance with section 123 of the Companies Act 2013”, Hence clause not applicable.</p> <p>vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable with effect from April 1, 2023 to the Company and its subsidiaries, which are companies incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is applicable for the financial year ended March 31, 2025.</p> <p>Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.</p> <p>We have checked audit trail feature at every quarter end we did not come across any instances of audit trail feature being tempered.</p> |
| <p>c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <p>As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1,</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |

2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31 March, 2025.

(B) With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor’s Report) Order, 2020 (the “Order”/ “CARO”) issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor’s report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

### III. Emphasis Matter

We draw attention to Note 35 to the standalone Ind AS financial statements, which describes the effect of fire occurred in factory premises on November 29, 2023. The loss on account of fire are duly considered under exceptional item of profit and loss and account and Note-35. Our opinion is not modified in respect of this matter.

### IV. Other Matter

Opening balance with respect to the financial information for the year ended 31 March 2025, included in these Financial Statements, are based on audited Financial Statements for the year ended 31 March 2024, which has been approved by the Company’s Board of Directors on May 21, 2024.

Our opinion is not modified in respect of this matter.

**For Birju S. Shah & Associates**  
Chartered Accountants | ICAI Firm Reg. No.: 131554W

**Birju S. Shah - Proprietor**  
Membership No.: 107086 | UDIN: 25107086BMLCCG3579

Place: Surat | Date: May 2, 2025



# Audit Report – Consolidated Financial Statements

## Annexure A to the Auditor’s Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of AETHER INDUSTRIES LTD. (“The Company”) as of 31 March 2025 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

### Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including 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, as required under the Companies Act, 2013.

### Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We have conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing,

issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in

accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the consolidated financial statements.

### Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2025, based on the

internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Birju S. Shah & Associates  
Chartered Accountants | ICAI Firm Reg. No.: 131554W

Birju S. Shah - Proprietor  
Membership No.: 107086 | UDIN: 25107086BMLCCG3579

Place: Surat | Date: May 2, 2025



Annexure I – Statement of Assets and Liabilities

| Assets (₹ in MM)                          | As at March 31, |            |            |
|-------------------------------------------|-----------------|------------|------------|
|                                           | Note            | 2025       | 2024       |
| Non-current assets                        |                 |            |            |
| Property, plant and equipment             | 3               | ₹9,439.04  | ₹6,932.67  |
| Capital work-in-progress                  | 4               | ₹3,553.73  | ₹2,261.38  |
| Right-of-use assets                       | 5               | ₹1,725.78  | ₹1,596.40  |
| Intangible assets                         | 6               | ₹7.71      | ₹5.68      |
| Intangibles under development             | 7               | ₹79.55     | ₹61.29     |
| Financial assets                          |                 |            |            |
| (i) Investments                           | 8               | ₹2.10      | ₹2.10      |
| (ii) Other financial assets               | 9               | ₹57.77     | ₹92.95     |
| Other non-current assets                  | 10              | ₹194.78    | ₹28.45     |
| Total non-current assets                  |                 | ₹15,060.46 | ₹10,980.92 |
| Current assets                            |                 |            |            |
| Inventories                               | 11              | ₹3,968.66  | ₹3,434.71  |
| Financial assets                          |                 |            |            |
| (i) Trade receivables                     | 12              | ₹2,886.20  | ₹2,328.76  |
| (ii) Cash and cash equivalents            | 13              | ₹173.71    | ₹53.66     |
| (iii) Bank balances other than (ii) above | 14              | ₹2,224.04  | ₹5,502.88  |
| (iv) Loans                                | 15              | ₹16.87     | ₹11.15     |
| (v) Other financial assets                | 16              | ₹274.68    | ₹352.18    |
| Other current assets                      | 17              | ₹1,837.57  | ₹1,343.18  |
| Total current assets                      |                 | ₹11,381.74 | ₹13,026.52 |
| Total assets                              |                 | ₹26,442.20 | ₹24,007.44 |

The above statement should be read with basis of preparation, significant accounting policies and notes forming part of the Financial Information appearing in Annexure V and Annexure VI as per our report attached.

For Birju S. Shah & Associates, Chartered Accountants  
ICAI Firm Reg. No.: 131554W  
Birju S. Shah, Proprietor  
Membership No.: 107086 | UDIN: 25107086BMLCCG3579  
Place: Surat | Date: May 2, 2025

| Equity and Liabilities (₹ in MM)    | As at March 31, |            |            |
|-------------------------------------|-----------------|------------|------------|
|                                     | Note            | 2025       | 2024       |
| Equity                              |                 |            |            |
| Equity share capital                | 18              | ₹1,325.90  | ₹1,325.50  |
| Other equity                        | 19              | ₹20,932.96 | ₹19,307.73 |
| Total equity                        |                 | ₹22,258.86 | ₹20,633.24 |
| Liabilities                         |                 |            |            |
| Non-current liabilities             |                 |            |            |
| (i) Lease liabilities               | 20              | ₹148.09    | ₹119.37    |
| Deferred tax liabilities (net)      | 37(d)           | ₹528.22    | ₹363.97    |
| Total non-current liabilities       |                 | ₹676.31    | ₹483.34    |
| Current liabilities                 |                 |            |            |
| Financial liabilities               |                 |            |            |
| (i) Borrowings                      | 21              | ₹1,825.29  | ₹1,686.18  |
| (ii) Lease liabilities              | 22              | ₹25.32     | ₹24.46     |
| (iii) Trade payables                | 23              |            |            |
| a) total outstanding dues of MSME   |                 | ₹221.14    | ₹86.06     |
| b) total outstanding dues of others |                 | ₹1,054.54  | ₹949.29    |
| (iv) Other financial liabilities    | 24              | ₹113.55    | ₹116.08    |
| Other current liabilities           | 25              | ₹265.61    | ₹28.79     |
| Provisions                          | 26              | ₹1.59      | ₹0.00      |
| Total current liabilities           |                 | ₹3,507.03  | ₹2,890.87  |
| Total liabilities                   |                 | ₹4,183.34  | ₹3,374.20  |
| Total equity and liabilities        |                 | ₹26,442.20 | ₹24,007.44 |

As per our report of even date attached – along with notes 3 to 53.

For and on behalf of Board of Directors of Aether Industries Limited (CIN: L24100GJ2013PLC073434)  
Ashwin Desai, Managing Director – DIN: 00038386  
Rohan Desai, Whole Time Director – DIN: 00038379  
Faiz Nagariya, Chief Financial Officer – PAN: ADBPN8514G  
Chitrarth Parghi, Company Secretary – Mem. No.: F12563  
Place: Surat | Date: May 2, 2025



Annexure II – Statement of Profit and Loss

| Particulars (₹ in MM)                                         | For the year ended March 31, |           |           |
|---------------------------------------------------------------|------------------------------|-----------|-----------|
|                                                               | Note                         | 2025      | 2024      |
| <b>Income</b>                                                 |                              |           |           |
| Revenue from operations                                       | 27                           | ₹8,386.90 | ₹5,981.72 |
| Other income                                                  | 28                           | ₹416.42   | ₹392.07   |
| Total income                                                  |                              | ₹8,803.31 | ₹6,373.80 |
| <b>Expenses</b>                                               |                              |           |           |
| Cost of materials consumed                                    | 29                           | ₹5,072.03 | ₹3,774.13 |
| Changes in inventories of finished goods and work-in-progress | 30                           | -₹606.19  | -₹564.95  |
| Employee benefit expenses                                     | 31                           | ₹427.95   | ₹386.25   |
| Finance costs                                                 | 32                           | ₹129.33   | ₹85.17    |
| Depreciation and amortisation expense                         | 33                           | ₹450.14   | ₹396.65   |
| Other expenses                                                | 34                           | ₹1,081.47 | ₹1,063.82 |
| Total expenses                                                |                              | ₹6,554.73 | ₹5,141.06 |
| Profit before exceptional items and tax                       |                              | ₹2,248.58 | ₹1,232.74 |
| Exceptional items                                             | 35                           | ₹118.74   | ₹137.62   |
| Profit before tax                                             |                              | ₹2,129.84 | ₹1,095.12 |
| <b>Tax expense</b>                                            | 36                           |           |           |
| Current tax                                                   |                              | ₹380.16   | ₹172.90   |
| Deferred tax                                                  |                              | ₹165.50   | ₹97.32    |
| Total tax expense                                             |                              | ₹545.66   | ₹270.22   |

The above statement should be read with basis of preparation, significant accounting policies and notes forming part of the Financial Information appearing in Annexure V and Annexure VI as per our report attached.

For Birju S. Shah & Associates, Chartered Accountants  
ICAI Firm Reg. No.: 131554W  
Birju S. Shah, Proprietor  
Membership No.: 107086 | UDIN: 25107086BMLCCG3579  
Place: Surat | Date: May 2, 2025

| Particulars (₹ in MM)                                                           | For the year ended March 31, |           |         |
|---------------------------------------------------------------------------------|------------------------------|-----------|---------|
|                                                                                 | Note                         | 2025      | 2024    |
| Profit for the year (A)                                                         |                              | ₹1,584.18 | ₹824.90 |
| <b>Other comprehensive -loss / income</b>                                       |                              |           |         |
| Items that will not be re-classified subsequently to profit or loss             |                              |           |         |
| (i) Remeasurement of defined benefit liability / -asset                         |                              | -₹4.97    | -₹4.46  |
| (ii) Income tax relating to remeasurement of defined benefit liability / -asset |                              | ₹1.25     | ₹1.12   |
| Other comprehensive -loss / income (B)                                          |                              | -₹3.72    | -₹3.34  |
| <b>Total comprehensive income for the year (A + B)</b>                          |                              | ₹1,580.47 | ₹821.57 |
| <b>Earnings per equity share</b>                                                | 37                           |           |         |
| [nominal value of ₹ 10]                                                         |                              |           |         |
| Basic                                                                           |                              | ₹11.95    | ₹6.31   |
| Diluted                                                                         |                              | ₹11.94    | ₹6.31   |

As per our report of even date attached - along with notes 3 to 53.

For and on behalf of Board of Directors of Aether Industries Limited (CIN: L24100GJ2013PLC073434)  
Ashwin Desai, Managing Director — DIN: 00038386  
Rohan Desai, Whole Time Director — DIN: 00038379  
Faiz Nagariya, Chief Financial Officer — PAN: ADBPN8514G  
Chitrarth Parghi, Company Secretary — Mem. No.: F12563  
Place: Surat | Date: May 2, 2025



Annexure III – Statement of Changes in Equity

| Particulars (₹ in MM)                                                                           | As at March 31, 2025          |                    | As at March 31, 2024 |                    |
|-------------------------------------------------------------------------------------------------|-------------------------------|--------------------|----------------------|--------------------|
|                                                                                                 | No. of Shares                 | Value              | No. of Shares        | Value              |
| (a) Equity share capital                                                                        |                               |                    |                      |                    |
| Balance at the beginning of the reporting period                                                | 13,25,50,273                  | ₹1,325.50          | 12,45,10,721         | ₹1,245.11          |
| Change in equity share capital during the period                                                | 39,968                        | ₹0.40              | 80,39,552            | ₹80.40             |
| Balance at the end of the reporting period                                                      | 13,25,90,241                  | ₹1,325.90          | ₹13,25,50,273        | ₹1,325.50          |
| For any subsequent event changes relating to share capital, refer note number 51(a).            |                               |                    |                      |                    |
| (b) Other equity                                                                                | Reserves and surplus          |                    |                      |                    |
|                                                                                                 | Employee Share Option Reserve | Securities Premium | Retained Earnings    | Total other Equity |
| Balance as at April 1, 2023                                                                     | ₹15.56                        | ₹8,162.55          | ₹3,022.85            | ₹11,200.98         |
| Total comprehensive income for the year ended March 31, 2024                                    |                               |                    |                      |                    |
| Profit for the period                                                                           | ₹0.00                         | ₹0.00              | ₹824.90              | ₹824.90            |
| Other comprehensive income (net of tax)                                                         |                               |                    |                      |                    |
| Remeasurements of defined benefit liability / (asset)                                           | ₹0.00                         | ₹0.00              | -₹3.34               | -₹3.34             |
| Total comprehensive income                                                                      | ₹15.56                        | ₹8,162.55          | ₹3,844.41            | ₹12,022.52         |
| Other movements for the year ended March 31, 2024                                               |                               |                    |                      |                    |
| Allotment of shares in QIP (8012820 Equity Shares of ₹ 10 each at a Premium of ₹ 926 per share) | ₹0.00                         | ₹7,419.87          | ₹0.00                | ₹7,419.87          |
| Shares based payment options outstanding (ESOPs exercised)                                      | -₹6.07                        | ₹6.07              | ₹0.00                | ₹0.00              |
| Shares based payment options outstanding (ESOPs valuation)                                      | ₹36.76                        | ₹0.00              | ₹0.00                | ₹36.76             |
| QIP expenses                                                                                    | ₹0.00                         | -₹180.63           | ₹0.00                | -₹180.63           |

Nature and purpose of reserves:

- i) Retained earnings: Retained earnings comprises of undistributed earnings after taxes.
- ii) Securities premium: Securities premium account is used to record the premium on issue of shares and the IPO / QIP expenses have been netted off from the same.
- iii) Employee share option: Employee share options pending to be exercised are recorded here.

For Birju S. Shah & Associates, Chartered Accountants  
ICAI Firm Reg. No.: 131554W  
Birju S. Shah, Proprietor  
Membership No.: 107086 | UDIN: 25107086BMLCCG3579  
Place: Surat | Date: May 2, 2025

| (b) Other equity                                                                                                | Reserves and surplus          |                    |                   |                    |
|-----------------------------------------------------------------------------------------------------------------|-------------------------------|--------------------|-------------------|--------------------|
|                                                                                                                 | Employee Share Option Reserve | Securities Premium | Retained Earnings | Total other Equity |
| Allotment of Shares under exercise of ESOPs (26,732 Equity Shares of ₹ 10 each at a Premium of ₹ 311 per share) | ₹0.00                         | ₹8.31              | ₹0.00             | ₹8.31              |
| Changes in the Lease Liabilities                                                                                | ₹0.00                         | ₹0.00              | ₹0.89             | ₹0.89              |
| Balance as at March 31, 2024                                                                                    | ₹46.24                        | ₹15,416.17         | ₹3,845.29         | ₹19,307.75         |
| Balance as at April 1, 2024                                                                                     | ₹46.24                        | ₹15,416.17         | ₹3,845.29         | ₹19,307.75         |
| Total comprehensive income for the year ended March 31, 2025                                                    |                               |                    |                   |                    |
| Profit for the period                                                                                           | ₹0.00                         | ₹0.00              | ₹1,584.18         | ₹1,584.18          |
| Other comprehensive income (net of tax)                                                                         |                               |                    |                   |                    |
| Remeasurements of defined benefit liability / (asset)                                                           | ₹0.00                         | ₹0.00              | -₹3.72            | -₹3.72             |
| Total comprehensive income                                                                                      | ₹46.24                        | ₹15,416.17         | ₹5,425.75         | ₹20,888.16         |
| Other movements for the year ended March 31, 2025                                                               |                               |                    |                   |                    |
| Shares based payment options outstanding (ESOPs exercised)                                                      | -₹13.44                       | ₹13.44             | ₹0.00             | ₹0.00              |
| Shares based payment options outstanding (ESOPs valuation)                                                      | ₹33.27                        | ₹0.00              | ₹0.00             | ₹33.27             |
| QIP expenses                                                                                                    | ₹0.00                         | -₹0.90             | ₹0.00             | -₹0.90             |
| Allotment of Shares under exercise of ESOPs (39,968 Equity Shares of ₹ 10 each at a Premium of ₹ 311 per share) | ₹0.00                         | ₹12.43             | ₹0.00             | ₹12.43             |
| Balance as at March 31, 2025                                                                                    | ₹66.07                        | ₹15,441.13         | ₹5,425.75         | ₹20,932.96         |

The above statement should be read with basis of preparation, significant accounting policies and notes forming part of the Financial Notes to the financial statements. As per our report of even date attached

For and on behalf of Board of Directors of Aether Industries Limited (CIN: L24100GJ2013PLC073434)  
Ashwin Desai, Managing Director — DIN: 00038386  
Rohan Desai, Whole Time Director — DIN: 00038379  
Faiz Nagariya, Chief Financial Officer — PAN: ADBPN8514G  
Chitrarth Parghi, Company Secretary — Mem. No.: F12563  
Place: Surat | Date: May 2, 2025



Annexure IV – Statement of Cash Flows

| Particulars (₹ in MM)                                        | For the year ended March 31, |            |
|--------------------------------------------------------------|------------------------------|------------|
|                                                              | 2025                         | 2024       |
| <strong>A. Cash flow from operating activities</strong>      |                              |            |
| Profit before tax                                            | ₹2,129.84                    | ₹1,095.12  |
| Adjustments to reconcile profit before tax to net cash flow: |                              |            |
| Net unrealised foreign exchange -gain / loss                 | -₹2.69                       | ₹6.91      |
| Finance costs                                                | ₹129.33                      | ₹85.17     |
| Interest income                                              | -₹344.08                     | -₹335.41   |
| Interest from Mutual Funds                                   | ₹0.00                        | -₹5.38     |
| Depreciation and amortisation expenses                       | ₹450.14                      | ₹396.65    |
| Other non-cash items                                         | -₹10.27                      | ₹36.76     |
| Operating profit before working capital changes              | ₹2,352.27                    | ₹1,279.82  |
| Movement in working capital:                                 |                              |            |
| -Increase / decrease in trade receivables                    | -₹557.45                     | ₹261.06    |
| -Increase / decrease in current investments                  | ₹0.00                        | ₹10.01     |
| -Increase / decrease in inventories                          | -₹533.95                     | -₹947.05   |
| -Increase / decrease in other assets                         | -₹492.34                     | -₹716.47   |
| -Increase / decrease in other financial assets               | ₹135.40                      | -₹111.93   |
| Increase / -decrease in trade payables                       | ₹240.33                      | ₹220.16    |
| Increase / -decrease in other current liabilities            | ₹236.82                      | ₹12.71     |
| Cash generated from operations                               | ₹1,381.07                    | ₹8.31      |
| Net income tax                                               | -₹380.16                     | -₹172.90   |
| Net cash from operating activities (A)                       | ₹1,000.91                    | -₹164.58   |
| <strong>B. Cash flow from investing activities</strong>      |                              |            |
| Purchase of property, plant and equipment                    | -₹3,043.96                   | -₹2,482.68 |
| Capital work in progress and capital advance                 | -₹1,478.98                   | -₹1,794.76 |
| Income from current investments                              | ₹344.08                      | ₹38.11     |
| Net cash used in investing activities (B)                    | -₹4,178.86                   | -₹4,239.33 |

The above cash flow statement has been prepared under the 'Indirect Method' set out in Ind AS 7 – on Statement of Cash Flows as notified under Companies (Accounts) Rules, 2015.

For Birju S. Shah & Associates, Chartered Accountants  
ICAI Firm Reg. No.: 131554W  
Birju S. Shah, Proprietor  
Membership No.: 107086 | UDIN: 25107086BMLCCG3579  
Place: Surat | Date: May 2, 2025

| Particulars (₹ in MM)                                                                   | For the year ended March 31, |                            |
|-----------------------------------------------------------------------------------------|------------------------------|----------------------------|
|                                                                                         | 2025                         | 2024                       |
| <strong>C. Cash flow from financing activities</strong>                                 |                              |                            |
| Proceeds / -repayment from working capital facilities (net)                             | ₹139.11                      | ₹1,686.18                  |
| QIP – allotment of shares                                                               | ₹0.00                        | ₹7,500.00                  |
| ESOPs – allotment of shares                                                             | ₹12.83                       | ₹8.58                      |
| QIP / IPO expenses                                                                      | -₹0.90                       | -₹180.63                   |
| Proceeds / -repayment of other financial liabilities                                    | -₹2.53                       | ₹19.14                     |
| Interest paid                                                                           | -₹104.05                     | -₹69.49                    |
| Lease liabilities paid                                                                  | -₹25.28                      | -₹26.23                    |
| Net cash used in financing activities (C)                                               | ₹19.18                       | ₹8,937.56                  |
| <strong>Net increase / -decrease in cash and cash equivalents (A + B + C)</strong>      | <strong>-₹3,158.78</strong>  | <strong>₹4,533.65</strong> |
| Effect of exchange differences on account of foreign currency cash and cash equivalents | ₹0.00                        | ₹0.00                      |
| Cash and cash equivalents at the beginning of the year                                  | ₹5,556.54                    | ₹1,022.89                  |
| Cash and cash equivalents at the end of the year                                        | ₹2,397.75                    | ₹5,556.54                  |
| <strong>Notes:</strong>                                                                 |                              |                            |
| Cash on hand                                                                            | ₹1.05                        | ₹1.34                      |
| Balances with bank                                                                      |                              |                            |
| - Current accounts                                                                      | ₹85.40                       | ₹9.15                      |
| - EEFC accounts                                                                         | ₹76.12                       | ₹37.72                     |
| - Cash credit accounts                                                                  | ₹11.14                       | ₹5.45                      |
| Other bank balances                                                                     | ₹2,224.04                    | ₹5,502.88                  |
| Total                                                                                   | ₹2,397.75                    | ₹5,556.54                  |
| <strong>Significant non-cash movement in investing and financing activities</strong>    |                              |                            |
| Foreign exchange fluctuations                                                           | ₹18.00                       | ₹14.26                     |
| Acquisition of Right-of-use assets with corresponding impact to lease                   | ₹177.53                      | ₹519.07                    |

The above statement should be read with basis of preparation, significant accounting policies and notes forming part of the Financial Information appearing in Annexure V and Annexure VI as per our report attached. As per our report attached of even date.

For and on behalf of Board of Directors of Aether Industries Limited (CIN: L24100GJ2013PLC073434)  
Ashwin Desai, Managing Director – DIN: 00038386  
Rohan Desai, Whole Time Director – DIN: 00038379  
Faiz Nagariya, Chief Financial Officer – PAN: ADBPN8514G  
Chitrarth Parghi, Company Secretary – Mem. No.: F12563  
Place: Surat | Date: May 2, 2025



# Annexure V – Notes forming part of Financial Statements for the year ended at March 31, 2025

## 1. Reporting entity

Aether Industries Ltd (Aether) was incorporated on January 23, 2013 as a Public Limited Company under the Companies Act, 1956 (as amended in 2013). It is engaged in the business of Specialty Chemicals and Intermediates. The products of the Company find application in various sectors like Pharmaceuticals, Agrochemicals, Specialty, Electronic Chemicals, Material Sciences, High Performance Photography etc. The CIN of the Company is L24100GJ2013PLC073434.

Between the year 2013 and early year 2015, the Promoters acquired a leased premise at GIDC Industrial Estate, Hojiwala, Sachin, Surat and established their Laboratory, Research & Development and Pilot Plant facilities. The Promoters realized at the conceptual stage itself that Specialty Chemicals is essentially a “Research & Knowledge” driven Industry, and identification of the ‘Chemistries’ and ‘Technologies’ before constructing the main plant, through Laboratory/R&D/Pilot facilities was a necessary pre-requisite. The period up to 2015 was hence utilized for installing Lab/R&D/Pilot Plants, developing several products/processes (up to Pilot stage), showcasing the Company’s capabilities through various International Exhibitions/Conferences etc., effecting trial samples/supplies, facing rigorous audits from prospective International Buyers etc.

After meeting with a fair degree of success and acceptance from the targeted buyers, the Company acquired about 10500 Sq. Mtrs. of land at the GIDC Industrial Estate, Sachin, Surat in February 2015 for setting up its main plant. The plant stood commissioned as per schedule, and the first stream went into operations in October 2016 / November 2016. Meanwhile, certain modifications /up-gradations /

automations were carried out during implementation.

The Company in January 2023, launched its Site 3 at Plot No. 8202/1, Road No. 8, GIDC Industrial Estate, Sachin, Surat –394230 and launched 5 new products there. Further, the Company also incorporated its 100% Wholly Owned Subsidiary in September 2022, which was named as Aether Speciality Chemicals Limited, with an aim to get more and new products in this subsidiary and save income tax (Income Tax section 115BAB) by starting the production by or before March 31, 2025. The operations started in March 2024 for Aether Speciality Chemicals Limited, at Plot No. 362/363, GIDC Industrial Estate, Sachin Surat – 394230.

The Company was able to carry on with the success with which they started of with the first Project which was ready by November 2016, by way of achieving total revenues of ₹248.60 million in FY 2016-17. The Company has, since then seen an upward trend in revenues, which has resulted in increased margins year on year.

The Company, because of its continuous growth and increasing demands for the products, along with the necessity to launch new products for various applications, has once again planned for yet another expansion. For the said new expansion, the Company has procured Plot of Land in GIDC Industrial Estate, Panoli admeasuring 1,26,200 Sq. Mtrs. and the same is located just 55 Kms or 1 hour drive from the current locations in GIDC, Sachin. The Company has further procured an adjacent land, admeasuring 60,000 Sq. Mtrs. This makes the Site 5 a huge site admeasuring 46 acres in total and the same would be used by the company for its current and future expansions. The first phase of expansion at this site is already under progress and expected to be operational from Q4 of FY26.

Production capacity of 7896 MTPA (March 31, 2025: 7896 MTPA) is available in our state-of-art and DCS automated manufacturing facilities, Site II (6096 MTPA) and Site III (1800 MTPA). Aether is also a leading CRAMS (contract research and manufacturing services) provider, built upon technology intensive and state-of-art R&D and pilot plant facilities. All of our R&D, pilot, CRAMS, and large scale manufacturing facilities are capable of switching between batch and continuous process technology.

Aether is based on a core competency model of cutting-edge chemistry and technology competencies.

Aether’s business models include Large Scale Manufacturing of Speciality Chemicals, Contract Manufacturing and Contract Research And Manufacturing Services (CRAMS).

## 2. Summary of material accounting policies

The Ind AS Financial Statements comprise of the Audited Statement of Assets and Liabilities as at March 31, 2025 and as at March 31, 2024, the related Audited Ind AS Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, and the Statement of Cash Flows for the year ended March 31, 2025 and March 31, 2024 respectively and the Significant Accounting Policies and Other Financial Information.

These Financial Statements have been prepared as required under the SEBI ICDR Regulations prepared in terms of the requirements of: (a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the “Act”); (b) relevant provisions of the SEBI ICDR Regulations; and (c) the Guidance Note on Reports in Company

Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI) (the “Guidance Note”).

### 2.1 Basis of preparation and presentation of financial statements

#### Compliance with Ind AS

The Consolidated Financial Statements are prepared in accordance with Indian Accounting Standards (“Ind AS”), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. The Ind AS are prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act.

Effective April 1, 2018, the Company has adopted all the Ind AS and the adoption has been carried out in accordance with Ind AS 101, First Time Adoption of Indian Accounting Standards, with April 1, 2018 a the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, which was the previous GAAP.

#### A. Basis of preparation

- i)(i)The Audited Ind AS Statement of Assets and Liabilities of the Company as at March 31, 2025 and March 31, 2024 respectively and the Audited Ind AS Statement of Profit and Loss, Audited Ind AS Statement of Changes in Equity and Audited Ind AS Statement of Cash Flows for the year ended March 31, 2025 and March 31, 2024 respectively (hereinafter collectively referred to as “Ind AS Financial Information”) have been prepared under Indian Accounting Standards (“Ind AS”) notified under Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act as amended from time to time.
- (ii) The audited financial statements of the Company



# Annexure V – Notes forming part of Financial Statements for the year ended at March 31, 2025

as at and for the year ended March 31, 2025 prepared in accordance with recognition and measurement principles under Indian Accounting Standard ('Ind AS') 34 "Interim Financial Reporting", specified under section 133 of the Act and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on May 2, 2025.

The Board of Directors approved the Financial Statements as per the Ind AS, for the year ended on March 31, 2025 along with Financial Statements for the year ended March 31, 2024 and authorised to issue the same vide resolution passed in the Board Meeting held on May 2, 2025.

### B. Basis of measurement

The Financial Statements have been prepared on historical cost basis considering the applicable provisions of Companies Act 2013. The exceptions to the same are:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value; and
- net defined benefit (asset) / liability that are measured at fair value of plan assets less present value of define benefit obligations.

### C. Current and non-current classification of assets and liabilities

The Assets and Liabilities and the Statement of Profit & Loss, including related notes, are prepared and presented as per the requirements of Schedule III (Division II) to the Companies Act, 2013. All assets and liabilities have been classified and disclosed as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III. Based on the nature of products and the time between the acquisition of assets for processing and

their realization into cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current – non current classification of assets and liabilities.

### D. Functional and presentation currency

The functional and presentation currency in these Financial Statements is ₹ and all amounts are rounded to nearest millions, up to 2 decimal places, unless otherwise stated.

### E. Use of judgements, estimates and assumptions

The preparation of Financial Statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, current assets, non-current assets, current liabilities, non-current liabilities and the disclosure of the contingent liabilities on the date of the preparation of Financial Statements. Such estimates are on a reasonable and prudent basis considering all available information, however due to uncertainties about these judgements, estimates and assumptions, the actual results could differ from those estimates. Information about each of these estimates and judgements is included in relevant notes. Any revision to accounting estimates is recognised prospectively in current and future periods.

### Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the Financial Statements is included in the following notes:

Note No. 44 – classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial assets are solely payments of principal and interest on the principal amount

outstanding..

### Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment, assumptions and estimation uncertainties are provided here, whereas the quantitative break-ups for the same are provided in the notes mentioned below:

- Note 3 and Note 6 – Useful life of depreciable assets, Property, Plant and Equipment and Other Intangible Assets.
- Note 38 – Recognition of contingencies, key assumptions about the likelihood and magnitude of outflow of resources.
- Note 37 – Recognition of tax expenses including deferred tax.
- Note 45 – Defined benefit obligation, key actuarial assumptions.
- Note 12 – Impairment of trade receivables.
- Note 10 – Valuation of Inventories.

### Going concern assumption

These Financial Statements have been prepared on a going concern basis. The management has, given the significant uncertainties arising out of the various situations, assessed the cash flow projections and available liquidity for a period of at least twelve months from the date of this Financial Statements. Based on this evaluation, management believes that the Company will be able to continue as a "going concern" in the foreseeable future and for a period of at least twelve months from the date of these Financial Statements based on the following:

- Expected future operating cash flows based on business projections, and
- Available credit facilities with its bankers

Based on the above factors, the management has concluded that the "going concern" assumption is appropriate. Accordingly, the Financial Statements do not include any adjustments regarding the recoverability and classification of the carrying amount of assets and classification of liabilities that might result, should the Company be unable to continue as a going concern.

On November 29, 2023, an accidental fire broke out at our Manufacturing Facility – II which is situated at Plot No. 8203, Road No. 8, GIDC Industrial Estate, Sachin, Surat – 394230, Gujarat (India).

This fire accident has adversely impacted the Site II, mainly damaging Plant 2 (fully), Plan 1 and Tank Farm (partially). This Site – II had been contributing the major share to revenue from operations and hence, the fire accident has hampered the revenues of the Company in FY 2023-24, as the entire Site –II was closed for at least three months. Revocation permission for unaffected plants at Site – II were received from GPCB and DISH, which helped the Company revive the Site for last month only.

The Company has, due to this fire accident, suffered loss of Fixed Assets (Plant & Machinery, Equipment, Furniture & Fixtures, and others), Inventories (mostly Semi Finished and Finished Goods at the shop floor) and Loss of Profit. The Company is adequately insured to the extent of damage occurred in the fire accident, including impacted property, plant & equipment, inventories and the loss of profit. The total claim lodged by the Company amounts to ₹1,000 million towards loss of stocks, loss of assets and loss of profit.

The impact of loss is being assessed for the fixed assets and the survey is ongoing by the insurance surveyor, hence the loss is yet to be ascertained. Loss



Annexure V – Notes forming part of Financial Statements for the year ended at March 31, 2025

of inventory is ₹138.97 million due to this fire accident, which has been assessed and written off for in FY 2023-24 itself.

The Company has already received a claim of ₹210 million towards loss of assets, being on account payment on submission of documents of assets lost by fire. The Company has also received a claim of ₹112.46 million towards claim for loss of stocks. The further assessment of claims is in progress and the Company is confident to get the same settled from insurance company in FY 25-26.

This fire accident has not affected our "Going Concern" assumption. Accordingly, the Company will continue as a going concern.

Reclassification

The company reclassifies comparative amounts, unless impracticable and whenever the company changes the presentation or classification of items in its financial statements materially. No such material reclassification has been made during the year.

2.2 Property, plant and equipment

Recognition and measurement

The Company has elected to continue with the carrying value of Property, Plant and Equipment ('PPE') recognised as of transition date measured as per the Previous GAAP and use that carrying value as its deemed cost of the PPE as on the transition date.

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes purchase price (after deducting trade discount / rebate), non-refundable import duties and taxes, cost of replacing the component parts, borrowing costs and other directly attributable cost to bringing the asset to the location

and condition necessary for it to be capable of operating in the manner intended by management.

Spares parts procured along with the Plant and Equipment or subsequently having value of ₹50,000 or more individually which meets the recognition criteria of PPE are capitalized and added to the carrying amount of such items. The carrying amount of those spare parts that are replaced are derecognized when no future economic benefits are expected from their use or upon disposal. If the cost of the replaced part is not available, the estimated cost of similar new parts is used as an indication of what the cost of the existing part was when the item was acquired.

An item of PPE is derecognized on disposal or when no future economic benefits are expected from use. Any profit or loss arising on the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The cost of the day-to-day servicing the property, plant and equipment are recognised in the statement of profit and loss as incurred.

Disposal

An item of property, plant and equipment is derecognised upon the disposal or when no future benefits are expected from its use or disposal. Gains and losses on disposal of an item of property, plant

and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income / expenses in the statement of profit and loss.

Depreciation

The depreciable amount of an asset is determined after deducting its residual value. Where the residual value of an asset increases to an amount equal to or greater than the asset's carrying amount, no depreciation charge is recognised till the asset's residual value decreases below the asset's carrying amount. Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the intended manner. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale in accordance with IND AS 105 and the date that the asset is derecognised.

The insurance claim is being assessed at the moment and hence, the depreciation as per the Companies Act, 2013 and the Income Tax Act, 1961 is being continued to charge on the entire book value and written down value respectively.

The management has estimated the useful life of the Tangible Assets as mentioned below:

| Asset class                             | Years |
|-----------------------------------------|-------|
| Factory building                        | 30    |
| Other building                          | 10    |
| Plant and machinery                     | 20    |
| Plant and machinery (Pipelines)         | 15    |
| Office equipment                        | 5     |
| Factory equipment                       | 10    |
| Computer equipment (servers & networks) | 6     |
| Computer equipment (others)             | 3     |

| Asset class          | Years |
|----------------------|-------|
| Other equipment      | 10    |
| Furniture & fixtures | 10    |
| Vehicle equipment    | 8     |

Impairments of non-financial assets

The Company assesses at each balance sheet date whether there is any indication that an asset or cash generating unit (CGU) may be impaired. Indefinite life intangibles are subject to a review for impairment annually or more frequently if events or circumstances indicate that it is necessary. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal or its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining the fair value less costs of disposal, recent market transactions are considered.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount, Impairment losses are recognised in the statement of profit and loss.

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment

# Annexure V – Notes forming part of Financial Statements for the year ended at March 31, 2025

loss had been recognised.

### 2.3 Intangible assets

#### Recognition and measurement

Intangible assets are recognised when the asset is identifiable, is within the control of the Company, it is probable that the future economic benefits that are attributable to the asset will flow to the Company and cost of the asset can be reliably measured.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Intangible assets acquired by the Company that have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually, either individually or at the cash-generating unit level.

Expenditure on Research activities is recognised in the statement of Profit and Loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to complete development and to use or sell the asset.

Intangible assets which comprise of the development expenditure incurred on new product and expenditure incurred on acquisition of user licenses for computer software are recorded at their acquisition price.

#### Subsequent measurement

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

#### Amortization

The useful lives of intangible sets are assessed as either finite or indefinite. Intangible assets i. e., computer software is amortized on a straight-line basis over the period of expected future benefits commencing from the date the asset is available for its use.

The management has estimated the useful life of the Intangible Assets as mentioned below:

| Asset class         | Years |
|---------------------|-------|
| Software & licenses | 6     |
| Trade marks         | 4     |
| Other assets        | 4     |

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

Intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

#### Disposal

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognized.

### 2.4 Financial assets

#### A. Fair value assessment

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an

asset or a liability, the Company takes into account the characteristics of asset and liability if market participants would take those into consideration. Fair value for measurement and / or disclosure purposes in these Financial Statements is determined in such basis except for transactions in the scope of Ind AS 2, 17 and 36. Normally at initial recognition, the transaction price is the best evidence of fair value.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value of non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques those are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All financial assets and financial liabilities for which fair value is measured or disclosed in the Financial Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

#### B. Subsequent measurement

For purposes of subsequent measurement financial assets are classified in three categories:

- Financial assets measured at amortized cost
- Financial assets at fair value through OCI
- Financial assets at fair value through profit or loss

#### C. Financial assets measured at amortized cost

Financial assets are measured at amortized cost if the financials asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financials assets are amortized using the effective interest rate (‘EIR’) method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit And Loss. The losses arising from impairment are recognized in the Statement of Profit And Loss.

#### D. Financial assets at fair value through OCI (‘FVTOCI’)

Financial assets are measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At initial recognition, an irrevocable election is made (on an instrument-by-instrument basis) to designate investments in equity instruments other than held for trading purpose at FVTOCI. Fair value changes are recognized in the other comprehensive income (‘OCI’). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the Statement of Profit And Loss. On derecognition of the financial asset other than equity instruments designated as FVTOCI, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss.



# Annexure V – Notes forming part of Financial Statements for the year ended at March 31, 2025

**E. Financial assets at fair value through profit or loss ('FVTPL')**  
Any financial asset that does not meet the criteria for classification as at amortized cost or as financial assets at fair value through other comprehensive income is classified as financial assets at fair value through profit or loss. Further, financial assets at fair value through profit or loss also include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets at fair value through profit or loss are fair valued at each reporting date with all the changes recognized in the Statement of Profit And Loss.

**F. Derecognition**  
The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the financial asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay.

**G. Impairment of Financial Assets**  
The Company assesses impairment based on expected credit loss ('ECL') model on the following:  
– Financial assets that are measured at amortised cost; and  
– Financial assets measured at FVTOCI

ECL is measured through a loss allowance on a following basis:  
– The 12 month expected credit losses (expected credit

losses that result from those default events on the financial instruments that are possible within 12 months after the reporting date)  
– Full life time expected credit losses (expected credit losses that result from all possible default events over the life of financial instruments)

**2.5 Financial liabilities**  
The Company's financial liabilities include trade payable.

**A. Initial recognition and measurement**  
All financial liabilities at initial recognition are classified as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities classified at amortized cost are recognized initially at fair value net of directly attributable transaction costs. Any difference between the proceeds (net of transaction costs) and the fair value at initial recognition is recognised in the Statement of Profit And Loss.

**B. Subsequent measurement**  
The subsequent measurement of financial liabilities depends upon the classification as described below:

a. Financial Liabilities classified as Amortised Cost  
Financial Liabilities that are not held for trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. Interest expense that is not capitalized as part of costs of assets is included as Finance costs in the Statement of Profit And Loss.

b. Financial Liabilities classified as Fair value through profit And loss (FVTPL):

Financial liabilities classified as FVTPL includes financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Financial liabilities designated upon initial recognition at FVTPL only if the criteria in Ind AS 109 is satisfied.

Exports benefits are accounted for in the year of exports based on the eligibility and when there is certainty of receiving the same.

**C. Derecognition**  
A financial liability is derecognised when the obligation under the liability is discharged / cancelled / expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit And Loss.

**D. Offsetting of financial instruments**  
Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Other incomes, other than interest and dividend are recognized when the same are due to be received and right to receive such other income is established.

**2.6 Share Capital and Share Premium**  
Ordinary shares are classified as equity. Incremental

costs directly attributable to the issue of new shares are shown in equity as a deduction net of tax from the proceeds. Par value of the equity share is recorded as share capital and the amount received in excess of the par value is classified as share premium.

**2.7 Dividend Distribution to equity shareholders**  
The Company recognizes a liability to make cash distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in other equity.

**2.8 Cash Flows and Cash and Cash Equivalents**  
Statement of cash flows is prepared in accordance with the indirect method prescribed in the relevant IND AS. For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, cheques and drafts on hand, deposits held with Banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and book overdrafts. However, Book overdrafts are to be shown within borrowings in current liabilities in the balance sheet for the purpose of presentation.

The Company is banking with the below mentioned Banks for its Working Capital and Banking requirements:  
1. ICICI Bank Ltd.  
2. HDFC Bank Ltd.

**2.9 Provisions, Contingent Liabilities and Contingent Assets**  
Provisions are recognised when there is a present legal or constructive obligation as a result of a past event



# Annexure V – Notes forming part of Financial Statements for the year ended at March 31, 2025

and it is probable (i.e. more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the balance sheet date. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a Consolidated asset only when the reimbursement is virtually certain.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance costs.

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist when a contract under which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received from it.

Contingent liabilities are disclosed on the basis of judgment of management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent Assets are not recognized, however, disclosed in financial statement when inflow of economic benefits is probable.

Claim receivable from insurance company, on account of Fire Accident on November 29, 2023 for fixed assets and loss of profit, is still under assessment and hence, the same is not recognised nor contingent

asset is created in FY 2023-24 and FY 2024-25.

## 2.10 Revenue Recognition and Other Income

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue from sale of goods is recognized, when the control is transferred to the buyer, as per the terms of the contracts and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods.

Interest income or expense is recognised using the effective interest rate method. The "effective interest rate" is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability

## 2.11 Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of

the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified.

- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:

- # the Company has the right to operate the asset; or
- # the Company designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

### Company as a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated

using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets re determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rates as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments.
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- amounts expected to e payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is change in future lease payments arising from a change n an index or rate, if there is change in the



# Annexure V – Notes forming part of Financial Statements for the year ended at March 31, 2025

Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in statement of profit and loss if the carrying amount of the right-of-use asset has been reduced to zero. Leasehold land is amortised over the period of lease remaining as on the date of purchase.

**Short-term leases and leases of low-value assets**

The Company has elected not to recognise right-of-use assets and lease liability for the short-term leases that have lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with such leases as an expense on a straight-line basis over the lease term.

**2.12 Income taxes**

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

**Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and the tax laws used to

compute the amount are those that are enacted or substantively enacted, at the reporting date in the country where the Company operates and generates taxable income. Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

**Deferred tax**

Deferred tax is provided using the balance sheet method on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss,
- Taxable temporary differences arising on the initial recognition of goodwill.
- Temporary differences related to investments in subsidiaries, associates, and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses

(including unabsorbed depreciation) can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

**2.13 Current versus non-current classification**

**Current versus Non-Current classification**

The Company presents assets and liabilities in the

Balance Sheet based on current/non-current classification.

a) An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

b) A liability is current when:

- It is expected to be settled in the normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

c) Deferred tax assets and liabilities are classified as non-current assets and liabilities.

d) The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

**2.14 Employee benefits**

**Short term employee benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Un-discounted value of benefits such as salaries, incentives, allowances and



# Annexure V – Notes forming part of Financial Statements for the year ended at March 31, 2025

bonus are recognized in the period in which the employee renders the related service.

### Defined Contribution Plans

The Company contributes to the employee's approved provident fund scheme. The Company's contribution paid/payable under the scheme is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related services.

### Defined Benefit Plans

Gratuity Liability is a defined benefit obligation and is provided on the basis of an actuarial valuation model made at the end of each quarter. The Gratuity Liability is funded by the Company by maintaining the funds with a separate Asset Management Company, i. e., LIC of India. Contributions to such fund is charged to Profit & Loss Account. Actuarial Valuation of the Gratuity is done at the end of the Financial Year and accounted for accordingly.

### 2.15 Trade receivables

Trade Receivables are stated after writing off debts considered as bad. Adequate provision is made for debts considered as doubtful.

### 2.16 Inventories

i. Raw Materials, Work in Progress, Finished Goods, Packing Materials, Stores, Spares and Consumables are carried at the lower of cost and net realisable value.

ii. In determining the cost of Raw Materials, Packing Materials, Stores, Spares and Consumables, FIFO Method is used. Cost of Inventory comprises of all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their

present location and condition.

iii. Cost of Finished Goods includes the cost of Raw Materials, Packing Materials, an appropriate share of fixed and variable production overheads, indirect taxes as applicable and other costs incurred in bringing the inventories to their present location and condition.

Iv. Cost of Stock in Trade procured for specific projects is assigned by specific identification of individual costs of each item.

### 2.17 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset, that necessarily takes substantial period of time to get ready for its intended use or sale, are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest, exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost an other costs that an entity incurs in connection with the borrowings of the funds.

### 2.18 Earnings per share

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements and stock split in equity shares issued during the year and excluding treasury shares. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares and stock split, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS adjust the figures used in the determination of basic EPS to consider:

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

### 2.19 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors of the Company have been identified as being the Chief Operating Decision Maker by the management of the Company.

### 2.20 Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currency of the Company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monitory assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monitory items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in the Statement of Profit and Loss.

### 2.21 Government grants and subsidies

Grants / subsidies that compensate the Company for expenses incurred are recognised in the Statement of

Profit and Loss as other operating income on a systematic basis in the periods in which such expenses are recognised.

### Export incentives

Export incentives under various schemes notified by the government are recognised when no significant uncertainties as to the amount of consideration that would be derived and that the Company will comply with the conditions associated with the grant and ultimate collection exist.

### 2.22 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules as amended from time to time. There are no such recently issued standards or amendments to the existing standards for which the impact on the Financial Statements is required to be disclosed.



Annexure V – Notes forming part of Financial Statements

| 3. Property, plant and equipment |                     |           |           |                     |                     |           |           |                     |                     |
|----------------------------------|---------------------|-----------|-----------|---------------------|---------------------|-----------|-----------|---------------------|---------------------|
| Particulars (₹ in MM)            | Gross Block         |           |           |                     | Depreciation        |           |           |                     | Net Block           |
|                                  | As at 01 April 2024 | Additions | Disposals | As at 31 March 2025 | As at 01 April 2024 | Additions | Disposals | As at 31 March 2025 | As at 31 March 2024 |
| Freehold land                    | ₹12.43              | ₹285.77   | ₹0.00     | ₹298.20             | ₹0.00               | ₹0.00     | ₹0.00     | ₹0.00               | ₹12.43              |
| Factory building                 | ₹907.32             | ₹141.76   | ₹0.00     | ₹1,049.08           | ₹73.85              | ₹27.96    | ₹0.00     | ₹101.80             | ₹833.48             |
| Other building                   | ₹21.11              | ₹0.00     | ₹0.00     | ₹21.11              | ₹14.54              | ₹2.01     | ₹0.00     | ₹16.54              | ₹6.57               |
| Plant and machinery              | ₹5,867.78           | ₹2,219.79 | ₹0.00     | ₹8,087.58           | ₹657.48             | ₹264.01   | ₹0.00     | ₹921.49             | ₹5,210.30           |
| Office equipment                 | ₹71.76              | ₹12.00    | ₹0.00     | ₹83.76              | ₹24.73              | ₹12.15    | ₹0.00     | ₹36.88              | ₹47.02              |
| Factory equipment (electric)     | ₹661.46             | ₹206.64   | ₹0.00     | ₹868.11             | ₹118.55             | ₹59.49    | ₹0.00     | ₹178.04             | ₹542.91             |
| Computer equipment               | ₹104.23             | ₹20.13    | ₹0.00     | ₹124.36             | ₹49.62              | ₹21.44    | ₹0.00     | ₹71.06              | ₹54.61              |
| Other equipment (Lab)            | ₹210.79             | ₹20.90    | ₹0.00     | ₹231.69             | ₹51.98              | ₹18.48    | ₹0.00     | ₹70.46              | ₹158.81             |
| Furniture and fixtures           | ₹67.11              | ₹12.07    | ₹0.00     | ₹79.18              | ₹17.57              | ₹6.45     | ₹0.00     | ₹24.02              | ₹49.54              |
| Vehicle equipment                | ₹22.07              | ₹1.84     | ₹0.00     | ₹23.91              | ₹5.08               | ₹2.56     | ₹0.00     | ₹7.64               | ₹16.99              |
| Total                            | ₹7,946.07           | 2,920.91  | ₹0.00     | ₹10,866.98          | ₹1,013.40           | ₹414.54   | ₹0.00     | ₹1,427.94           | ₹6,932.67           |
|                                  |                     |           |           |                     |                     |           |           |                     |                     |
| Particulars (₹ in MM)            | Gross Block         |           |           |                     | Depreciation        |           |           |                     | Net Block           |
|                                  | As at 01 April 2023 | Additions | Disposals | As at 31 March 2024 | As at 01 April 2023 | Additions | Disposals | As at 31 March 2025 | As at 31 March 2023 |
| Freehold Land                    | ₹0.00               | ₹12.43    | ₹0.00     | ₹12.43              | ₹0.00               | ₹0.00     | ₹0.00     | ₹0.00               | ₹0.00               |
| Factory building                 | ₹677.83             | ₹229.49   | ₹0.00     | ₹907.32             | ₹50.06              | ₹23.79    | ₹0.00     | ₹73.85              | ₹627.77             |
| Other building                   | ₹21.11              | ₹0.00     | ₹0.00     | ₹21.11              | ₹12.53              | ₹2.01     | ₹0.00     | ₹14.54              | ₹8.58               |
| Plant and machinery              | ₹4,507.37           | ₹1,360.41 | ₹0.00     | ₹5,867.78           | ₹410.00             | ₹247.47   | ₹0.00     | ₹657.48             | ₹4,097.36           |
| Office equipment                 | ₹45.35              | ₹26.41    | ₹0.00     | ₹71.76              | ₹16.38              | ₹8.36     | ₹0.00     | ₹24.73              | ₹28.98              |
| Factory equipment (electric)     | ₹463.51             | ₹197.95   | ₹0.00     | ₹661.46             | ₹70.96              | ₹47.59    | ₹0.00     | ₹118.55             | ₹392.56             |
| Computer equipment               | ₹59.57              | ₹44.66    | ₹0.00     | ₹104.23             | ₹36.51              | ₹13.11    | ₹0.00     | ₹49.62              | ₹23.06              |
| Other equipment (Lab)            | ₹148.14             | ₹62.65    | ₹0.00     | ₹210.79             | ₹38.09              | ₹13.89    | ₹0.00     | ₹51.98              | ₹110.05             |
| Furniture and fixtures           | ₹49.22              | ₹17.89    | ₹0.00     | ₹67.11              | ₹12.38              | ₹5.19     | ₹0.00     | ₹17.57              | ₹36.85              |
| Vehicle equipment                | ₹11.50              | ₹10.58    | ₹0.00     | ₹22.07              | ₹3.16               | ₹1.92     | ₹0.00     | ₹5.08               | ₹8.34               |
| Total                            | ₹5,983.61           | ₹1,962.46 | ₹0.00     | ₹7,946.07           | ₹650.07             | ₹363.33   | ₹0.00     | ₹1,013.40           | ₹5,333.54           |

|                                                                            | Description | As at 31                  | As at 31   |
|----------------------------------------------------------------------------|-------------|---------------------------|------------|
|                                                                            |             | March 2025                | March 2024 |
|                                                                            |             | Aether Industries Limited |            |
| Title deeds held in the name of                                            |             |                           |            |
| Whether title deed holder is a promoter, director or relative of promoter/ |             |                           |            |
| director or employee of promoter/ director                                 |             | NA                        |            |



Annexure V

|                                                                                                                   |                      |                     |                                |                     |
|-------------------------------------------------------------------------------------------------------------------|----------------------|---------------------|--------------------------------|---------------------|
| 4. Capital work-in-progress                                                                                       |                      |                     |                                |                     |
| Particulars (₹ in MM)                                                                                             | Particulars          |                     |                                |                     |
|                                                                                                                   | As at 01 April 2024  | Additions           | Disposals                      | As at 31 March 2025 |
| Capital work-in-progress                                                                                          | ₹2,261.38            | ₹4,147.84           | -₹2,855.50                     | ₹3,553.73           |
| Total                                                                                                             | ₹2,261.38            | ₹4,147.84           | -₹2,855.50                     | ₹3,553.73           |
| Additional disclosures as per Schedule – III requirement:                                                         |                      |                     |                                |                     |
| Particulars (₹ in MM)                                                                                             | Projects in Progress |                     | Projects temporarily suspended |                     |
|                                                                                                                   | As at 31 March 2025  | As at 31 March 2024 | As at 31 March 2025            | As at 31 March 2024 |
| Less than 1 Year                                                                                                  | ₹2,239.55            | ₹2,159.95           | ₹0.00                          | ₹0.00               |
| 1-2 Years                                                                                                         | ₹1,314.18            | ₹101.42             | ₹0.00                          | ₹0.00               |
| 2-3 Years                                                                                                         | ₹0.00                | ₹0.00               | ₹0.00                          | ₹0.00               |
| More than 3 Years                                                                                                 | ₹0.00                | ₹0.00               | ₹0.00                          | ₹0.00               |
| Total                                                                                                             | ₹3,553.73            | ₹2,261.38           | ₹0.00                          | ₹0.00               |
| Note: There are no projects as at reporting date which has exceeded cost as compare to its original approved plan |                      |                     |                                |                     |
|                                                                                                                   |                      |                     |                                |                     |
| 5. Right-of-use assets                                                                                            |                      |                     |                                |                     |
| Particulars (₹ in MM)                                                                                             | Gross Block          |                     |                                |                     |
|                                                                                                                   | As at 01 April 2024  | Additions           | Disposals                      | As at 31 March 2025 |
| Leasehold Land                                                                                                    | ₹1,492.65            | ₹119.57             | ₹0.00                          | ₹1,612.22           |
| Properties (Land & Building)                                                                                      | ₹172.12              | ₹57.96              | -₹29.94                        | ₹200.14             |
| Total Assets                                                                                                      | ₹1,664.76            | ₹177.53             | -₹29.94                        | ₹1,812.35           |
| Particulars (₹ in MM)                                                                                             | Gross Block          |                     |                                |                     |
|                                                                                                                   | As at 01 April 2023  | Additions           | Disposals                      | As at 31 March 2024 |
| Leasehold Land                                                                                                    | ₹986.00              | ₹519.07             | -₹12.43                        | ₹1,492.65           |
| Properties (Land & Building)                                                                                      | ₹183.53              | ₹0.00               | -₹11.41                        | ₹172.12             |
| Total Assets                                                                                                      | ₹1,169.53            | ₹519.07             | -₹23.84                        | ₹1,664.76           |

|                       |           |           |                     |                     |                     |
|-----------------------|-----------|-----------|---------------------|---------------------|---------------------|
| Particulars (₹ in MM) |           |           |                     |                     |                     |
| Amortisation          |           |           | Net Block           |                     |                     |
| As at 01 April 2024   | Additions | Disposals | As at 31 March 2025 | As at 31 March 2024 | As at 31 March 2025 |
| ₹26.04                | ₹18.19    | ₹0.00     | ₹44.23              | ₹1,466.60           | ₹1,567.98           |
| ₹42.34                | ₹15.94    | -₹15.95   | ₹42.34              | ₹129.78             | ₹157.80             |
| ₹68.38                | ₹34.13    | -₹15.95   | ₹86.57              | ₹1,596.38           | ₹1,725.78           |
|                       |           |           |                     |                     |                     |
| Particulars (₹ in MM) |           |           |                     |                     |                     |
| Amortisation          |           |           | Net Block           |                     |                     |
| As at 01 April 2023   | Additions | Disposals | As at 31 March 2024 | As at 31 March 2023 | As at 31 March 2024 |
| ₹11.46                | ₹14.58    | ₹0.00     | ₹26.04              | ₹974.54             | ₹1,466.60           |
| ₹35.51                | ₹17.44    | -₹10.61   | ₹42.34              | ₹148.02             | ₹129.78             |
| ₹46.97                | ₹32.02    | -₹10.61   | ₹68.38              | ₹1,122.55           | ₹1,596.38           |



|                                        |  |                        |           |           |                        |                        |                        |           |                        |                        |                        |
|----------------------------------------|--|------------------------|-----------|-----------|------------------------|------------------------|------------------------|-----------|------------------------|------------------------|------------------------|
| 6. Intangibles assets                  |  | Gross Block            |           |           |                        | Amortisation           |                        |           |                        | Net Block              |                        |
| Particulars (₹ in MM)                  |  | As at 01<br>April 2024 | Additions | Disposals | As at 31<br>March 2025 | As at 01<br>April 2024 | Additions              | Disposals | As at 31<br>March 2025 | As at 31<br>March 2024 | As at 31<br>March 2025 |
| Computer Software                      |  | ₹15.86                 | ₹3.48     | ₹0.00     | ₹19.33                 | ₹10.75                 | ₹1.21                  | ₹0.00     | ₹11.95                 | ₹5.11                  | ₹7.38                  |
| Others                                 |  | ₹2.40                  | ₹0.00     | ₹0.00     | ₹2.40                  | ₹1.83                  | ₹0.23                  | ₹0.00     | ₹2.06                  | ₹0.57                  | ₹0.34                  |
| Total                                  |  | ₹18.25                 | ₹3.48     | ₹0.00     | ₹21.73                 | ₹12.57                 | ₹1.44                  | ₹0.00     | ₹14.02                 | ₹5.68                  | ₹7.71                  |
|                                        |  | Gross Block            |           |           |                        | Amortisation           |                        |           |                        | Net Block              |                        |
| Particulars (₹ in MM)                  |  | As at 01<br>April 2023 | Additions | Disposals | As at 31<br>March 2024 | As at 01<br>April 2023 | Additions              | Disposals | As at 31<br>March 2024 | As at 31<br>March 2023 | As at 31<br>March 2024 |
| Computer Software                      |  | ₹14.71                 | ₹1.15     | ₹0.00     | ₹15.86                 | ₹9.70                  | ₹1.05                  | ₹0.00     | ₹10.75                 | ₹5.01                  | ₹5.11                  |
| Others                                 |  | ₹2.40                  | ₹0.00     | ₹0.00     | ₹2.40                  | ₹1.58                  | ₹0.25                  | ₹0.00     | ₹1.83                  | ₹0.82                  | ₹0.57                  |
| Total                                  |  | ₹17.11                 | ₹1.15     | ₹0.00     | ₹18.25                 | ₹11.27                 | ₹1.30                  | ₹0.00     | ₹12.57                 | ₹5.83                  | ₹5.68                  |
| 7. Intangible assets under development |  | Particulars            |           |           |                        | Particulars            |                        |           |                        |                        |                        |
| Particulars (₹ in MM)                  |  | As at 01<br>April 2024 | Additions | Disposals | As at 31<br>March 2025 | Particulars (₹ in MM)  | As at 01<br>April 2023 | Additions | Disposals              | As at 31<br>March 2024 |                        |
| Computer Software                      |  | ₹61.29                 | ₹21.46    | -₹3.20    | ₹79.55                 |                        | ₹0.00                  | ₹61.29    | ₹0.00                  | ₹61.29                 |                        |
| Total                                  |  | ₹61.29                 | ₹21.46    | -₹3.20    | ₹79.55                 | Total                  | ₹0.00                  | ₹61.29    | ₹0.00                  | ₹61.29                 |                        |



Annexure V – Notes forming part of Financial Statements

| Particulars (₹ in MM)                                                                                       | As at March 31, |           |
|-------------------------------------------------------------------------------------------------------------|-----------------|-----------|
|                                                                                                             | 2025            | 2024      |
| <b>8. Investments</b>                                                                                       |                 |           |
| Unquoted equity shares                                                                                      |                 |           |
| Other investments (measured at cost)                                                                        |                 |           |
| 9 (31 March 2024: 9) equity shares of Sachin Industrial Co. Op. Society Limited, of ₹500 each fully paid-up | ₹0.00           | ₹0.00     |
| 1,16,851 (31 March 2024: 1,16,851 ) equity shares of Globe Enviro Care Limited, of ₹10 each fully paid-up   | ₹2.09           | ₹2.09     |
|                                                                                                             | ₹2.10           | ₹2.10     |
| Aggregate value of unquoted investments                                                                     | ₹2.10           | ₹2.10     |
| Aggregate amount of impairment in value of investments                                                      | ₹0.00           | ₹0.00     |
| <b>9. Other financial assets</b>                                                                            |                 |           |
| (Unsecured, considered good)                                                                                |                 |           |
| Security deposits                                                                                           | ₹57.77          | ₹92.95    |
|                                                                                                             | ₹57.77          | ₹92.95    |
| <b>10. Other non-current assets</b>                                                                         |                 |           |
| (Unsecured, considered good)                                                                                |                 |           |
| Capital advances                                                                                            | ₹194.18         | ₹25.80    |
| Prepaid expenses                                                                                            | ₹0.60           | ₹2.65     |
|                                                                                                             | ₹194.78         | ₹28.45    |
| <b>11. Inventories</b>                                                                                      |                 |           |
| Raw material                                                                                                | ₹931.10         | ₹856.71   |
| Work in progress                                                                                            | ₹2,014.84       | ₹1,670.81 |
| Finished goods                                                                                              | ₹642.84         | ₹493.15   |
| Stores and spares                                                                                           | ₹87.32          | ₹59.56    |
| Others :                                                                                                    |                 |           |
| Packing Materials                                                                                           | ₹31.67          | ₹22.44    |
| Research and development materials                                                                          | ₹260.88         | ₹332.04   |
|                                                                                                             | ₹3,968.66       | ₹3,434.71 |

Notes:

- (1) Raw Materials, Work in Progress, Finished Goods, Packing Materials, Stores, Spares and Consumables are carried at the lower of cost and – net realisable value.
- (2) In determining the cost of Raw Materials, Packing Materials, Stores, Spares and Consumables, FIFO Method is used. Cost of Inventory comprises of all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.
- (3) Cost of Finished Goods includes the cost of Raw Materials, Packing Materials, an appropriate share of fixed and variable production overheads, indirect taxes as applicable and other costs incurred in bringing the inventories to their present location and condition.
- (4) Cost of Stock in Trade procured for specific projects is assigned by specific identification of individual costs of each item.
- (5) Inventories are pledge / hypothecated as primary security with the bankers (lenders) against the Working Capital Facilities availed by the Company.
- (6) Refer Note No. 30 for the loss of stock due to Fire Accident

| Particulars (₹ in MM)                                            | As at March 31, |           |
|------------------------------------------------------------------|-----------------|-----------|
|                                                                  | 2025            | 2024      |
| <b>12. Trade receivables</b>                                     |                 |           |
| Trade Receivables considered good – Secured                      | ₹40.57          | ₹23.25    |
| Trade Receivables considered good – Unsecured                    | ₹2,845.63       | ₹2,305.50 |
| Trade Receivables which have significant increase in credit risk | ₹0.00           | ₹0.00     |
| Trade Receivables – credit impaired                              | ₹0.00           | ₹0.00     |
|                                                                  | ₹2,886.20       | ₹2,328.76 |
| Less: Allowance for doubtful receivables                         | ₹0.00           | ₹0.00     |
| Total trade receivables                                          | ₹2,886.20       | ₹2,328.76 |
| <b>The above amount includes</b>                                 |                 |           |
| Receivable from related parties                                  | ₹0.00           | ₹0.00     |
| Receivable from other than related parties                       | ₹2,886.20       | ₹2,328.76 |
| Total                                                            | ₹2,886.20       | ₹2,328.76 |

Notes:

The average credit period on sales of goods is 90 days. Payment terms vary from Advance Payments, LC for 60 to 90 Days, DA for 60 to 90 Days and open credits for 60 to 90 Days. No interest is charged on outstanding trade receivables.



Annexure V – Notes forming part of Financial Statements

| Ageing of trade receivables as at 31 March 2025                                    |                                                            |                  |                 |                  |                   |           |
|------------------------------------------------------------------------------------|------------------------------------------------------------|------------------|-----------------|------------------|-------------------|-----------|
| Particulars (₹ in MM)                                                              | Outstanding for following periods from due date of Payment |                  |                 |                  |                   | Total     |
|                                                                                    | Less than 6 Months                                         | 6 Months- 1 Year | 1 Year- 2 Years | 2 Years- 3 Years | More than 3 Years |           |
| (i) Undisputed Trade Receivables - considered good                                 | ₹2,869.88                                                  | ₹7.58            | ₹0.64           | ₹4.49            | ₹0.55             | ₹2,883.14 |
| (ii) Undisputed Trade Receivables - which have significant increase in Credit risk | ₹0.00                                                      | ₹0.00            | ₹0.00           | ₹0.00            | ₹0.00             | ₹0.00     |
| (iii) Undisputed Trade Receivables - credit impaired                               | ₹0.00                                                      | ₹0.00            | ₹0.00           | ₹0.00            | ₹0.00             | ₹0.00     |
| (iv) Disputed Trade Receivables - considered good                                  | ₹0.00                                                      | ₹0.00            | ₹0.00           | ₹0.00            | ₹0.00             | ₹0.00     |
| (v) Disputed Trade Receivables - which have significant increase in Credit risk    | ₹0.00                                                      | ₹0.00            | ₹0.00           | ₹0.00            | ₹3.06             | ₹3.06     |
| (vi) Disputed Trade Receivables - credit impaired                                  | ₹0.00                                                      | ₹0.00            | ₹0.00           | ₹0.00            | ₹0.00             | ₹0.00     |
| Total                                                                              | ₹2,869.88                                                  | ₹7.58            | ₹0.64           | ₹4.49            | ₹3.61             | ₹2,886.20 |
| Ageing of trade receivables as at 31 March 2024                                    |                                                            |                  |                 |                  |                   |           |
| Particulars (₹ in MM)                                                              | Outstanding for following periods from due date of Payment |                  |                 |                  |                   | Total     |
|                                                                                    | Less than 6 Months                                         | 6 Months- 1 Year | 1 Year- 2 Years | 2 Years- 3 Years | More than 3 Years |           |
| (i) Undisputed Trade Receivables - considered good                                 | ₹2,304.68                                                  | ₹15.97           | ₹4.49           | ₹0.55            | ₹0.00             | ₹2,325.69 |
| (ii) Undisputed Trade Receivables - which have significant increase in Credit risk | ₹0.00                                                      | ₹0.00            | ₹0.00           | ₹0.00            | ₹0.00             | ₹0.00     |
| (iii) Undisputed Trade Receivables - credit impaired                               | ₹0.00                                                      | ₹0.00            | ₹0.00           | ₹0.00            | ₹0.00             | ₹0.00     |
| (iv) Disputed Trade Receivables - considered good                                  | ₹0.00                                                      | ₹0.00            | ₹0.00           | ₹0.00            | ₹0.00             | ₹0.00     |
| (v) Disputed Trade Receivables - which have significant increase in Credit risk    | ₹0.00                                                      | ₹0.00            | ₹0.00           | ₹3.06            | ₹0.00             | ₹3.06     |
| (vi) Disputed Trade Receivables - credit impaired                                  | ₹0.00                                                      | ₹0.00            | ₹0.00           | ₹0.00            | ₹0.00             | ₹0.00     |
| Total                                                                              | ₹2,304.68                                                  | ₹15.97           | ₹4.49           | ₹3.61            | ₹0.00             | ₹2,328.76 |

| Particulars (₹ in MM)                                                                                         | As at March 31, |           |
|---------------------------------------------------------------------------------------------------------------|-----------------|-----------|
|                                                                                                               | 2025            | 2024      |
| <b>13. Cash and cash equivalents</b>                                                                          |                 |           |
| Cash in hand (Indian rupees)                                                                                  | ₹0.36           | ₹1.34     |
| Cash in hand (foreign currencies)                                                                             | ₹0.69           | ₹0.00     |
| Balances with banks                                                                                           |                 |           |
| Current accounts                                                                                              | ₹85.40          | ₹9.15     |
| EEFC accounts                                                                                                 | ₹76.12          | ₹37.72    |
| Cash credit accounts                                                                                          | ₹11.14          | ₹5.45     |
|                                                                                                               | ₹173.71         | ₹53.66    |
| <b>14. Bank balances other than cash and cash equivalents</b>                                                 |                 |           |
| Other bank balances                                                                                           |                 |           |
| Margin money - Fixed Deposits                                                                                 | ₹11.74          | ₹12.45    |
| Other - Fixed Deposits (with maturity of more than 3 months but less than 12 months)                          | ₹2,212.30       | ₹5,490.43 |
|                                                                                                               | ₹2,224.04       | ₹5,502.88 |
| <b>15. Loans</b>                                                                                              |                 |           |
| Loans to employees*                                                                                           | ₹16.87          | ₹11.15    |
|                                                                                                               | ₹16.87          | ₹11.15    |
| <b>Breakup of security details</b>                                                                            |                 |           |
| Loans, considered good - secured                                                                              | ₹0.00           | ₹0.00     |
| Loans, considered good - unsecured                                                                            | ₹16.87          | ₹11.15    |
| Loans, considered doubtful / credit impaired                                                                  | ₹0.00           | ₹0.00     |
| Total                                                                                                         | ₹16.87          | ₹11.15    |
| Less: Loss allowance                                                                                          | ₹0.00           | ₹0.00     |
| Total loans receivables                                                                                       | ₹16.87          | ₹11.15    |
| Notes:                                                                                                        |                 |           |
| *Loan to employees do not include any loan given to promoters, directors, KMPs and any other related parties. |                 |           |



Annexure V – Notes forming part of Financial Statements

| Particulars (₹ in MM)                                                                      | As at March 31, |              |
|--------------------------------------------------------------------------------------------|-----------------|--------------|
|                                                                                            | 2025            | 2024         |
| <strong>16. Other financial assets</strong>                                                |                 |              |
| Interest receivable (from fixed deposits with banks)                                       | ₹106.40         | ₹303.04      |
| Gratuity asset (Refer note 45 for further disclosures)                                     | ₹0.00           | ₹2.71        |
| Security Deposit                                                                           | ₹168.28         | ₹21.44       |
| GST Credit Receivable (FI)                                                                 | ₹0.00           | ₹25.00       |
|                                                                                            | ₹274.68         | ₹352.18      |
| <strong>17. Other current assets</strong>                                                  |                 |              |
| Advances recoverable in cash/in kind                                                       | ₹235.61         | ₹242.86      |
| Balances with government authorities                                                       | ₹1,438.27       | ₹963.17      |
| Prepaid expenses                                                                           | ₹131.79         | ₹125.80      |
| Solar benefit                                                                              | ₹19.34          | ₹11.35       |
| Fund raise expenses                                                                        | ₹12.56          | ₹0.00        |
|                                                                                            | ₹1,837.57       | ₹1,343.18    |
| <strong>18. Share capital</strong>                                                         |                 |              |
| Authorised                                                                                 |                 |              |
| 14,00,00,000 (31 March 2024: 14,00,00,000) equity shares of ₹10 each                       | ₹1,400.00       | ₹1,400.00    |
| Total                                                                                      | ₹1,400.00       | ₹1,400.00    |
| Issued, subscribed and paid-up                                                             |                 |              |
| 13,25,90,241 (31 March 2024: 13,25,50,273) equity shares of ₹10 each fully paid-up         | ₹1,325.90       | ₹1,325.50    |
|                                                                                            | ₹1,325.90       | ₹1,325.50    |
| Reconciliation of number of shares outstanding at the beginning and end of the year/period |                 |              |
| Outstanding at the beginning of the year/period                                            | 13,25,50,273    | 12,45,10,721 |
| Add: Issued during the period                                                              | 39,968          | 80,39,552    |
| Outstanding at the end of the year/period                                                  | 13,25,90,241    | 13,25,50,273 |
| Notes:                                                                                     |                 |              |
| Number of shares is presented as absolute number.                                          |                 |              |

Terms / Rights attached to each classes of shares  
Rights, preferences and restrictions attached to Equity shares

|                            |                                                                                                                                                                                                                                                                                                 |
|----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| As to dividend             | The Shareholders are entitled to receive dividend in proportion to the amount of paid up equity shares held by them. The Company has not declared any dividend during the year.                                                                                                                 |
| As to repayment of capital | In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining asset of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. |
| As to voting               | The Company has one class of shares referred to as Equity Shares having par value of ₹10/-. Each holder of the equity share is entitled to one vote per share.                                                                                                                                  |

Shareholders holding more than 5% shares in the Company is set out below

| Equity shares of ₹10 each fully paid-up | As at 31 March 2025 |           | As at 31 March 2024 |           |
|-----------------------------------------|---------------------|-----------|---------------------|-----------|
|                                         | Number of shares    | % holding | Number of shares    | % holding |
| Purnima Ashwin Desai                    | 3,20,57,403         | 24.18%    | 3,20,57,403         | 24.19%    |
| Ashwin Jayantilal Desai                 | 67,20,417           | 5.07%     | 67,20,417           | 5.07%     |
| Rohan Ashwin Desai                      | 22,21,681           | 1.68%     | 22,21,681           | 1.68%     |
| Aman Ashwin Desai                       | 1,10,000            | 0.08%     | 1,10,000            | 0.08%     |
| AJD Family Trust                        | 1,35,60,206         | 10.23%    | 1,35,60,206         | 10.23%    |
| PAD Family Trust                        | 1,35,60,206         | 10.23%    | 1,35,60,206         | 10.23%    |
| RAD Family Trust                        | 2,00,17,162         | 15.10%    | 2,00,17,162         | 15.10%    |
| AAD Business Trust                      | 2,00,17,162         | 15.10%    | 2,00,17,162         | 15.10%    |



Annexure V – Notes forming part of Financial Statements

| Promoters Shareholding in the Company is set out below |                     |           |                     |           |
|--------------------------------------------------------|---------------------|-----------|---------------------|-----------|
| Equity shares of ₹10 each fully paid-up                | As at 31 March 2025 |           | As at 31 March 2024 |           |
|                                                        | Number of shares    | % holding | Number of shares    | % holding |
| Purnima Ashwin Desai                                   | 3,20,57,403         | 24.18%    | 3,20,57,403         | 24.19%    |
| Ashwin Jayantilal Desai                                | 67,20,417           | 5.07%     | 67,20,417           | 5.07%     |
| Rohan Ashwin Desai                                     | 22,21,681           | 1.68%     | 22,21,681           | 1.68%     |
| Aman Ashwin Desai                                      | 1,10,000            | 0.08%     | 1,10,000            | 0.08%     |
| AJD Family Trust                                       | 1,35,60,206         | 10.23%    | 1,35,60,206         | 10.23%    |
| PAD Family Trust                                       | 1,35,60,206         | 10.23%    | 1,35,60,206         | 10.23%    |
| RAD Family Trust                                       | 2,00,17,162         | 15.10%    | 2,00,17,162         | 15.10%    |
| AAD Business Trust                                     | 2,00,17,162         | 15.10%    | 2,00,17,162         | 15.10%    |

| Particulars (₹ in MM)                                                                                                                                                                   | As at March 31, |            |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|------------|
|                                                                                                                                                                                         | 2025            | 2024       |
| <b>19. Other equity</b>                                                                                                                                                                 |                 |            |
| A. Retained earnings                                                                                                                                                                    | ₹5,425.75       | ₹3,845.29  |
| B. Securities premium                                                                                                                                                                   | ₹15,441.13      | ₹15,416.17 |
| C. Employee Share Option Reserve                                                                                                                                                        | ₹66.07          | ₹46.24     |
|                                                                                                                                                                                         | ₹20,932.96      | ₹19,307.73 |
| <b>A. Retained earnings</b>                                                                                                                                                             |                 |            |
| Opening balance                                                                                                                                                                         | ₹3,845.29       | ₹3,022.85  |
| Profit for the period / year                                                                                                                                                            | ₹1,584.18       | ₹824.90    |
| Changes in the Lease Liabilities                                                                                                                                                        | ₹0.00           | ₹0.89      |
| Other comprehensive (loss)/ income                                                                                                                                                      |                 |            |
| -Remeasurements of defined benefit liability / (asset) (net of tax)                                                                                                                     | -₹3.72          | -₹3.34     |
| Closing balance                                                                                                                                                                         | ₹5,425.75       | ₹3,845.29  |
| <b>B. Securities premium</b>                                                                                                                                                            |                 |            |
| Opening balance                                                                                                                                                                         | ₹15,416.17      | ₹8,162.55  |
| Preferential Allotment of Shares 80,12,820 Equity Shares of ₹10 each at a Premium of ₹926 per share                                                                                     | ₹0.00           | ₹7,419.87  |
| Shares based payment options outstanding (ESOPs exercised)                                                                                                                              | ₹13.44          | ₹6.07      |
| QIP expenses                                                                                                                                                                            | -0.90           | -₹180.63   |
| Allotment of 39,968 Equity Shares of ₹10 each at a Premium of ₹311 per share under exercise of ESOPs (FY 2023-24 Allotment of 26,732 Shares of ₹10 each at a Premium of ₹311 per shares | ₹12.43          | ₹8.31      |
| Closing balance                                                                                                                                                                         | ₹15,441.13      | ₹15,416.17 |

| Particulars (₹ in MM)                                                | As at March 31, |            |
|----------------------------------------------------------------------|-----------------|------------|
|                                                                      | 2025            | 2024       |
| <b>C. Employee Share Option reserve</b>                              |                 |            |
| Opening balance                                                      | ₹46.24          | ₹15.56     |
| Add: Additions during the year                                       | ₹33.27          | ₹36.76     |
| Less: Transferred to Securities Premium on exercise of stock options | ₹13.44          | ₹6.07      |
| Closing balance                                                      | ₹66.07          | ₹46.24     |
| <b>Total reserves and surplus</b>                                    | ₹20,932.96      | ₹19,307.73 |
| <b>20. Lease liabilities</b>                                         |                 |            |
| Lease liabilities                                                    | ₹148.09         | ₹119.37    |
|                                                                      | ₹148.09         | ₹119.37    |
| <b>21. Borrowings</b>                                                |                 |            |
| <b>Working capital loan (Refer note 1)</b>                           |                 |            |
| Secured                                                              | ₹1,825.29       | ₹1,686.18  |
|                                                                      | ₹1,825.29       | ₹1,686.18  |

Notes:

(1) The primary security for working capital loan is outstanding receivables and inventories.

(2) The company has used the loans towards the specific purposes for which it had borrowed the funds from the bank and there is no deviation in that regards.

(3) The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

(4) Break-up of the Working capital loan:

| Particulars (₹ in MM)                           | As at March 31, |           |
|-------------------------------------------------|-----------------|-----------|
|                                                 | 2025            | 2024      |
| Working capital limits with HDFC Bank           | ₹327.15         | ₹363.44   |
| Working capital limits with ICICI Bank          | ₹1,500.15       | ₹1,321.88 |
| Total outstanding                               | ₹1,827.30       | ₹1,685.32 |
| Foreign exchange valuation impact on PCFC loans | -₹2.01          | ₹0.87     |
| Net outstanding                                 | ₹1,825.29       | ₹1,686.18 |



Annexure V – Notes forming part of Financial Statements

| Particulars (₹ in MM)                                                                                                                            | As at March 31,                                                        |                  |           |           |                   |           |
|--------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------|-----------|-----------|-------------------|-----------|
|                                                                                                                                                  | 2025                                                                   | 2024             |           |           |                   |           |
| <b>22. Lease liabilities</b>                                                                                                                     |                                                                        |                  |           |           |                   |           |
| Lease liabilities                                                                                                                                | ₹25.32                                                                 | ₹24.46           |           |           |                   |           |
|                                                                                                                                                  | ₹25.32                                                                 | ₹24.46           |           |           |                   |           |
| <b>23. Trade payables</b>                                                                                                                        |                                                                        |                  |           |           |                   |           |
| Total outstanding dues of Micro Enterprises and Small Enterprises (Refer note 39)                                                                | ₹221.14                                                                | ₹86.06           |           |           |                   |           |
| Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises                                                           | ₹1,054.54                                                              | ₹949.29          |           |           |                   |           |
|                                                                                                                                                  | ₹1,275.68                                                              | ₹1,035.34        |           |           |                   |           |
| Notes:                                                                                                                                           |                                                                        |                  |           |           |                   |           |
| (1)Refer note 40 – Related Party for related party disclosure                                                                                    |                                                                        |                  |           |           |                   |           |
| (2) Trade payables principally comprise amounts outstanding for trade purchases. The average credit period taken for trade purchases is 90 days. |                                                                        |                  |           |           |                   |           |
| Ageing of trade payables as at 31 March 2025                                                                                                     |                                                                        |                  |           |           |                   |           |
|                                                                                                                                                  | Outstanding for following periods Particulars from due date of payment |                  |           |           |                   |           |
| Particulars (₹ in MM)                                                                                                                            | Unbilled Dues                                                          | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total     |
| (i) MSME                                                                                                                                         | ₹0.00                                                                  | ₹221.14          | ₹0.00     | ₹0.00     | ₹0.00             | ₹221.14   |
| (ii) Others                                                                                                                                      | ₹0.00                                                                  | ₹1,054.54        | ₹0.00     | ₹0.00     | ₹0.00             | ₹1,054.54 |
| (iii) Disputed dues – MSME                                                                                                                       | ₹0.00                                                                  | ₹0.00            | ₹0.00     | ₹0.00     | ₹0.00             | ₹0.00     |
| (iv) Disputed dues – Others                                                                                                                      | ₹0.00                                                                  | ₹0.00            | ₹0.00     | ₹0.00     | ₹0.00             | ₹0.00     |
| Total                                                                                                                                            | ₹0.00                                                                  | ₹1,275.68        | ₹0.00     | ₹0.00     | ₹0.00             | ₹1,275.68 |
| Ageing of trade payables as at 31 March 2024                                                                                                     |                                                                        |                  |           |           |                   |           |
|                                                                                                                                                  | Outstanding for following periods Particulars from due date of payment |                  |           |           |                   |           |
| Particulars (₹ in MM)                                                                                                                            | Unbilled Dues                                                          | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total     |
| (i) MSME                                                                                                                                         | ₹0.00                                                                  | ₹86.06           | ₹0.00     | ₹0.00     | ₹0.00             | ₹86.06    |
| (ii) Others                                                                                                                                      | ₹0.00                                                                  | ₹949.29          | ₹0.00     | ₹0.00     | ₹0.00             | ₹949.29   |
| (iii) Disputed dues – MSME                                                                                                                       | ₹0.00                                                                  | ₹0.00            | ₹0.00     | ₹0.00     | ₹0.00             | ₹0.00     |
| (iv) Disputed dues – Others                                                                                                                      | ₹0.00                                                                  | ₹0.00            | ₹0.00     | ₹0.00     | ₹0.00             | ₹0.00     |
| Total                                                                                                                                            | ₹0.00                                                                  | ₹1,035.34        | ₹0.00     | ₹0.00     | ₹0.00             | ₹1,035.34 |

| Particulars (₹ in MM)                                              | As at March 31, |         |
|--------------------------------------------------------------------|-----------------|---------|
|                                                                    | 2025            | 2024    |
| <b>24. Other financial liabilities</b>                             |                 |         |
| Employee related payables                                          |                 |         |
| Salary and other benefits                                          | ₹35.16          | ₹33.09  |
| Bonus payable                                                      | ₹16.87          | ₹15.28  |
| Other payables                                                     | ₹21.74          | ₹19.31  |
| Bills payable                                                      | ₹0.00           | ₹0.81   |
| Creditors for expenses                                             | ₹39.77          | ₹47.60  |
|                                                                    | ₹113.55         | ₹116.08 |
| <b>25. Other current liabilities</b>                               |                 |         |
| Advance received from customers                                    | ₹1.33           | ₹6.41   |
| Statutory dues payables                                            | ₹48.37          | ₹22.38  |
| On Account Payment Received from Insurance Company (Fire Accident) | ₹215.91         | ₹0.00   |
|                                                                    | ₹265.61         | ₹28.79  |
| <b>26. Provisions</b>                                              |                 |         |
| Employee benefits                                                  |                 |         |
| Gratuity (Refer note 45 for further disclosures)                   | ₹1.59           | ₹0.00   |
|                                                                    | ₹1.59           | ₹0.00   |



Annexure V – Notes forming part of Financial Statements

| Particulars (₹ in MM)                                   | For the year ended March 31, |                  |
|---------------------------------------------------------|------------------------------|------------------|
|                                                         | 2025                         | 2024             |
| <b>27. Revenue from operations</b>                      |                              |                  |
| <b>Sales of products</b>                                |                              |                  |
| Manufactured goods                                      |                              |                  |
| Local sales                                             | ₹3,557.34                    | ₹3,393.81        |
| Export sales                                            | ₹2,660.78                    | ₹1,735.08        |
| Deemed exports                                          | ₹377.36                      | ₹34.99           |
| Export sales – CRAMS                                    | ₹567.05                      | ₹447.94          |
| Domestic sales – CRAMS                                  | ₹27.02                       | ₹22.12           |
| Deemed exports – CRAMS                                  | ₹20.04                       | ₹41.40           |
| <b>Sale of services</b>                                 |                              |                  |
| Export services                                         | ₹413.43                      | ₹315.15          |
| Domestic services                                       | ₹767.71                      | ₹0.00            |
| <b>Total revenue from operations</b>                    | <b>₹8,390.73</b>             | <b>₹5,990.49</b> |
| Less: Rebate and discount                               | -₹3.83                       | -₹8.76           |
|                                                         | <b>₹8,386.90</b>             | <b>₹5,981.72</b> |
| Note: Refer note no. 47 Revenue for further disclosures |                              |                  |
| <b>28. Other income</b>                                 |                              |                  |
| <b>Interest</b>                                         |                              |                  |
| Interest on fixed deposits                              | ₹344.08                      | ₹335.21          |
| Interest accrued on loans to employees                  | ₹1.62                        | ₹1.47            |
| Interest on deposits                                    | ₹0.67                        | ₹0.20            |
| Interest – others                                       | ₹0.20                        | ₹0.30            |
| <b>Others</b>                                           |                              |                  |
| Foreign exchange fluctuation                            | ₹38.29                       | ₹35.45           |
| Duty drawback – exports                                 | ₹7.84                        | ₹11.35           |
| MEIS duty credit                                        | ₹0.00                        | ₹2.09            |
| SEIS Duty Credit                                        | ₹10.74                       | ₹0.00            |
| Income from mutual funds                                | ₹0.00                        | ₹5.31            |
| Income accrued from mutual funds                        | ₹0.00                        | ₹0.07            |
| Interest on Income Tax Refund                           | ₹8.94                        | ₹0.00            |
| Profit on Termination of Lease                          | ₹3.21                        | ₹0.00            |
| Miscellaneous income                                    | ₹0.83                        | ₹0.62            |
|                                                         | <b>₹416.42</b>               | <b>₹392.07</b>   |

| Particulars (₹ in MM)                             | For the year ended March 31, |                  |
|---------------------------------------------------|------------------------------|------------------|
|                                                   | 2025                         | 2024             |
| <b>29. Cost of materials consumed</b>             |                              |                  |
| <b>Raw materials</b>                              |                              |                  |
| Opening                                           | ₹856.72                      | ₹607.88          |
| Add: Purchases                                    | ₹4,737.12                    | ₹3,796.83        |
| Add: Customs duty and clearing forwarding charges | ₹56.26                       | ₹71.44           |
| Less: Discount of purchase of raw materials       | ₹41.91                       | ₹7.39            |
|                                                   | <b>₹5,608.19</b>             | <b>₹4,468.77</b> |
| Less: Closing                                     | ₹931.10                      | ₹856.72          |
|                                                   | <b>₹4,677.08</b>             | <b>₹3,612.05</b> |
| <b>Packing materials</b>                          |                              |                  |
| Opening                                           | ₹22.42                       | ₹14.70           |
| Add: Purchases                                    | ₹101.70                      | ₹86.36           |
|                                                   | <b>₹124.12</b>               | <b>₹101.06</b>   |
| Less: Closing                                     | ₹31.67                       | ₹22.42           |
|                                                   | <b>₹92.45</b>                | <b>₹78.64</b>    |
| <b>Stores and spares</b>                          |                              |                  |
| Opening                                           | ₹59.56                       | ₹46.28           |
| Add: Purchases                                    | ₹210.98                      | ₹155.90          |
|                                                   | <b>₹270.54</b>               | <b>₹202.18</b>   |
| Less: Closing                                     | ₹87.32                       | ₹59.56           |
|                                                   | <b>₹183.21</b>               | <b>₹142.62</b>   |
| <b>Other materials</b>                            |                              |                  |
| Opening                                           | ₹332.06                      | ₹219.80          |
| Add: Purchases                                    | ₹48.10                       | ₹53.07           |
|                                                   | <b>₹380.16</b>               | <b>₹272.87</b>   |
| Less: Closing                                     | ₹260.88                      | ₹332.06          |
|                                                   | <b>₹119.27</b>               | <b>-₹59.19</b>   |
| <b>Total cost of materials consumed</b>           | <b>₹5,072.03</b>             | <b>₹3,774.13</b> |



Annexure V – Notes forming part of Financial Statements

| Particulars (₹ in MM)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | For the year ended March 31, |           |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 2025                         | 2024      |
| <b>30. Changes in inventories of finished goods and work-in-progress</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                              |           |
| Opening Inventories                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                              |           |
| Finished goods                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | ₹493.14                      | ₹536.19   |
| Work-in-progress                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | ₹1,670.81                    | ₹1,062.81 |
| Total (A)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | ₹2,163.96                    | ₹1,599.00 |
| Closing Inventories                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                              |           |
| Finished goods                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | ₹642.84                      | ₹493.14   |
| Work-in-progress                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | ₹2,014.84                    | ₹1,809.78 |
| Total (B)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | ₹2,657.68                    | ₹2,302.93 |
| Goods destroyed due to fire (C)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | ₹0.00                        | ₹138.97   |
| Claim settled against goods destroyed due to fire (D)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | ₹112.46                      | ₹0.00     |
| Total (A - B + C - D)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | -₹606.19                     | -₹564.95  |
| Note:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                              |           |
| Inventory Destroyed by fire written off :                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                              |           |
| On November 29, 2023, an accidental fire broke out at Manufacturing Facility - II, i.e. Plot No. 8203, Road No. 8, GIDC Industrial Estate, Sachin, Surat -394230, Gujarat (India). The said accident was duly reported to the Insurance Company. The Company is adequately insured to the extent of damage occurred in the fire accident, including impacted property, plant & equipment, inventories and the business losses. Loss of inventory was ₹138.97 million due to this fire accident, which has been assessed and written off for in FY 2023-24 itself. |                              |           |
| The Company has received a claim of ₹112.46 million towards claim for loss of stocks.                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                              |           |
| <b>31. Employee benefit expenses</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                              |           |
| Salaries, wages and bonus                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | ₹329.15                      | ₹279.00   |
| Contribution to gratuity                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | ₹10.60                       | ₹8.75     |
| Contribution to labour welfare fund                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | ₹0.02                        | ₹0.00     |
| Contribution to provident fund                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | ₹19.59                       | ₹17.88    |
| Contribution to provident fund - Admin Charges                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | ₹0.78                        | ₹0.73     |
| Staff welfare expenses                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | ₹8.67                        | ₹13.26    |
| Leave encashment expenses                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | ₹9.35                        | ₹23.25    |
| ESOPs (Employee Benefit)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | ₹33.27                       | ₹36.76    |
| Other employee related expenses                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | ₹16.52                       | ₹6.62     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | ₹427.95                      | ₹386.25   |

| Particulars (₹ in MM)                                        | For the year ended March 31, |         |
|--------------------------------------------------------------|------------------------------|---------|
|                                                              | 2025                         | 2024    |
| <b>32. Finance costs</b>                                     |                              |         |
| Interest on cash credit                                      | ₹54.48                       | ₹33.28  |
| Interest on PCFC                                             | ₹9.37                        | ₹9.50   |
| Interest on bill discounting                                 | ₹22.88                       | ₹14.26  |
| Interest on car loan                                         | ₹0.00                        | ₹0.06   |
| Bank charges                                                 | ₹3.37                        | ₹6.50   |
| Interest on financial liabilities at amortized cost          | ₹14.10                       | ₹15.68  |
| Interest Expense on OD                                       | ₹25.14                       | ₹5.89   |
|                                                              | ₹129.33                      | ₹85.17  |
| <b>33. Depreciation and amortisation expense</b>             |                              |         |
| Depreciation of property, plant and equipment (refer note 3) | ₹414.57                      | ₹363.33 |
| Amortisation of right-of-use asset (refer note 5)            | ₹34.12                       | ₹32.02  |
| Amortisation of intangible assets (refer note 6)             | ₹1.45                        | ₹1.30   |
|                                                              | ₹450.14                      | ₹396.65 |
| <b>34. Other expenses</b>                                    |                              |         |
| <b>Manufacturing service cost expenses</b>                   |                              |         |
| Power and fuel                                               | ₹234.84                      | ₹268.52 |
| Water Charges                                                | ₹11.85                       | ₹12.38  |
| Other manufacturing costs                                    | ₹212.86                      | ₹236.22 |
| <b>Administrative and general expenses</b>                   |                              |         |
| Telephone and postage                                        | ₹4.56                        | ₹3.39   |
| Printing and stationery                                      | ₹2.04                        | ₹2.36   |
| Rent                                                         | ₹6.93                        | ₹3.44   |
| Rates and taxes                                              | ₹15.27                       | ₹11.42  |
| Payment to statutory auditors (Refer note below)             | ₹1.15                        | ₹1.83   |
| Directors' sitting fees                                      | ₹1.97                        | ₹2.52   |
| Managerial remuneration                                      | ₹34.36                       | ₹29.73  |
| Repairs and maintenance expenses                             | ₹45.16                       | ₹36.64  |
| Electricity expenses                                         | ₹172.01                      | ₹135.11 |
| Travelling expenses                                          | ₹15.52                       | ₹17.06  |
| Legal and professional expenses                              | ₹59.54                       | ₹80.42  |
| Insurance expenses                                           | ₹59.68                       | ₹45.79  |



## Annexure V – Notes forming part of Financial Statements

| Particulars (₹ in MM)                     | For the year ended March 31, |                  |
|-------------------------------------------|------------------------------|------------------|
|                                           | 2025                         | 2024             |
| <b>34. Other expenses</b>                 |                              |                  |
| Vehicle running expenses                  | ₹7.37                        | ₹6.52            |
| Other administrative and general expenses | ₹28.13                       | ₹27.35           |
| Selling and distribution expenses         | ₹125.64                      | ₹100.16          |
| Research and development expenses         | ₹8.18                        | ₹2.28            |
| Other expenses                            | ₹34.42                       | ₹40.69           |
|                                           | <b>₹1,081.47</b>             | <b>₹1,063.82</b> |
| <b>(a) Payment to auditors</b>            |                              |                  |
| Statutory audit fee                       | ₹1.15                        | ₹0.98            |
| Other matters                             | ₹0.00                        | ₹0.85            |
|                                           | <b>₹1.15</b>                 | <b>₹1.83</b>     |

Note:

The auditors were also paid a fee of ₹0.75 million towards their various certifications etc. during the QIP, which has been debited to the securities premium account as QIP expense in FY 23-24

| 35. Exceptional items*                       |                |                |
|----------------------------------------------|----------------|----------------|
| Damage cost assessment due to pollution      | ₹1.70          | ₹0.00          |
| Brokerage expense                            | ₹0.13          | ₹0.04          |
| Conveyance expenses for fire accident        | ₹0.00          | ₹0.53          |
| Electricity expense – fire accident          | ₹0.17          | ₹0.01          |
| FI/IP1/Consumables- fire accident expenses   | ₹0.00          | ₹0.51          |
| Fire charges (Foam)                          | ₹0.00          | ₹1.26          |
| Fire charges (Water)                         | ₹0.00          | ₹0.07          |
| Food expenses for fire accident              | ₹0.00          | ₹1.12          |
| Freight charges for fire accident            | ₹2.31          | ₹0.24          |
| Insurance expense – fire accident            | ₹107.12        | ₹29.57         |
| Legal & Professional expense – fire accident | ₹2.50          | ₹4.04          |
| Medical expenses to staff – fire accident    | ₹0.00          | ₹29.57         |
| Penalty/Fine – fire accident                 | ₹0.00          | ₹5.00          |
| Rent expenses – 7/103/B                      | ₹0.87          | ₹0.44          |
| Rent expenses – Plot No. 326/2               | ₹3.00          | ₹0.07          |
| Security expenses – fire accident            | ₹0.94          | ₹0.14          |
| Staff welfare expenses – fire accident       | ₹0.00          | ₹65.02         |
|                                              | <b>₹118.74</b> | <b>₹137.62</b> |

\*Exceptional Items include all the expenses made towards the fire accident occurred at Manufacturing Facility-2 i.e. Plot No. 8203, GIDC Sachin, Surat, Gujarat (India).

|                                                                | For the year ended March 31, |         |
|----------------------------------------------------------------|------------------------------|---------|
| Particulars (₹ in MM)                                          | 2025                         | 2024    |
| <b>36. Taxes</b>                                               |                              |         |
| <b>(a) Statement of profit or loss</b>                         |                              |         |
| Current tax                                                    |                              |         |
| Current income tax charge                                      | ₹380.16                      | ₹172.90 |
| Deferred tax                                                   | ₹164.25                      | ₹96.20  |
| Income tax expense reported in the statement of profit or loss | ₹544.41                      | ₹269.10 |
| <b>(b) Other comprehensive income (OCI)</b>                    |                              |         |
| Taxes related to items recognised in OCI during in the period  |                              |         |
| Deferred tax                                                   |                              |         |
| Remeasurements gains and losses on post employment benefits    | -₹1.25                       | -₹1.12  |
| Income tax recognised in OCI                                   | -₹1.25                       | -₹1.12  |

|                                                                                          | As at March 31, |                |
|------------------------------------------------------------------------------------------|-----------------|----------------|
|                                                                                          | 2025            | 2024           |
| <b>(c) Balance sheet</b>                                                                 |                 |                |
| Non- current tax assets                                                                  | ₹0.00           | ₹0.00          |
| Current tax assets                                                                       | ₹0.00           | ₹0.00          |
| <b>Total tax assets</b>                                                                  | <b>₹0.00</b>    | <b>₹0.00</b>   |
| <b>Current tax liabilities</b>                                                           |                 |                |
| Income tax (net of advance tax)                                                          | ₹0.00           | ₹0.00          |
| <b>Total current tax liabilities</b>                                                     | <b>₹0.00</b>    | <b>₹0.00</b>   |
| <b>(d) Deferred tax liabilities / (assets)</b>                                           |                 |                |
| Excess of depreciation/amortisation on property plant and equipment under income tax act | ₹572.26         | ₹399.49        |
| Fair valuation of Security deposits                                                      | -₹0.05          | -₹0.07         |
| Prepaid Rent                                                                             | ₹0.04           | ₹0.07          |
| Provision for employee benefits                                                          | -₹0.40          | ₹0.68          |
| Leases                                                                                   | -₹43.64         | -₹36.20        |
| <b>Net Deferred tax liability / (asset)</b>                                              | <b>₹528.22</b>  | <b>₹363.97</b> |



Annexure V – Notes forming part of Financial Statements

| Particulars (₹ in MM)                                                                                      | For the year ended March 31, |                                              |                                   |                |
|------------------------------------------------------------------------------------------------------------|------------------------------|----------------------------------------------|-----------------------------------|----------------|
|                                                                                                            | 2025                         | 2024                                         |                                   |                |
| <b>(e) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate</b> |                              |                                              |                                   |                |
| Accounting profit before tax                                                                               | ₹2,129.84                    | ₹1,095.12                                    |                                   |                |
| Tax rate                                                                                                   | 25.17%                       | 25.17%                                       |                                   |                |
| Tax as per IT Act on above                                                                                 | ₹536.04                      | ₹275.62                                      |                                   |                |
| <b>Tax expenses (P&amp;L)</b>                                                                              |                              |                                              |                                   |                |
| (i) Current tax                                                                                            | ₹380.16                      | ₹172.90                                      |                                   |                |
| (ii) Deferred tax                                                                                          | ₹164.25                      | ₹96.20                                       |                                   |                |
| (iii) Taxation in respect of earlier years                                                                 | ₹0.00                        | ₹0.00                                        |                                   |                |
|                                                                                                            | ₹544.41                      | ₹269.10                                      |                                   |                |
| <b>Tax expenses (OCI)</b>                                                                                  | -₹1.25                       | -₹1.12                                       |                                   |                |
| <b>Difference</b>                                                                                          | -₹7.12                       | ₹7.64                                        |                                   |                |
| <b>Tax reconciliation</b>                                                                                  |                              |                                              |                                   |                |
| <b>Adjustments:</b>                                                                                        |                              |                                              |                                   |                |
| Effect of permanent adjustments                                                                            |                              |                                              |                                   |                |
| (i) Impact as a result of Tax Rate Change                                                                  | ₹0.00                        | ₹0.00                                        |                                   |                |
| (ii) Impact as a result of Capital Gains                                                                   | ₹0.00                        | ₹0.00                                        |                                   |                |
| (iii) Others                                                                                               | ₹7.12                        | -₹7.64                                       |                                   |                |
|                                                                                                            | ₹7.12                        | -₹7.64                                       |                                   |                |
|                                                                                                            | ₹0.00                        | ₹0.00                                        |                                   |                |
| <b>(f) Movement in temporary differences</b>                                                               |                              |                                              |                                   |                |
| Particulars (₹ in MM)                                                                                      | April 1, 2024                | Recognised in profit or loss during the year | Recognised in OCI during the year | March 31, 2025 |
| <b>Deferred tax liabilities (DTL)</b>                                                                      |                              |                                              |                                   |                |
| Excess of depreciation/amortisation on property plant and equipment under income tax act                   | ₹399.49                      | ₹172.78                                      | ₹0.00                             | ₹572.26        |
| Fair valuation of Security deposits                                                                        | -₹0.07                       | ₹0.02                                        | ₹0.00                             | -₹0.05         |
| Prepaid Rent                                                                                               | ₹0.07                        | -₹0.03                                       | ₹0.00                             | ₹0.04          |
| Provision for employee benefits                                                                            | ₹0.68                        | ₹0.17                                        | -₹1.25                            | -₹0.40         |
| Leases                                                                                                     | -₹36.20                      | -₹7.44                                       | ₹0.00                             | -₹43.64        |
| Net deferred tax liability/(asset)                                                                         | ₹363.97                      | ₹165.50                                      | -₹1.25                            | ₹528.22        |

| Particulars (₹ in MM)                                                         | For the year ended March 31, |              |
|-------------------------------------------------------------------------------|------------------------------|--------------|
|                                                                               | 2025                         | 2024         |
| <b>37. Earnings per share</b>                                                 |                              |              |
| <b>Profits attributable to equity shareholders</b>                            |                              |              |
| <b>(a) Statement of profit or loss</b>                                        |                              |              |
| Profit for basic earning per share of ₹10 each                                |                              |              |
| Profit for the period / year (in ₹)                                           | ₹1,584.18                    | ₹824.90      |
| <b>Basic Earnings Per Share</b>                                               |                              |              |
| Weighted average number of equity shares outstanding during the period / year | 13,25,64,881                 | 13,07,38,033 |
| Basic EPS (₹)                                                                 | ₹11.95                       | ₹6.31        |
| <b>Diluted Earnings Per Share</b>                                             |                              |              |
| Profit for diluted earning per share of ₹10 each                              |                              |              |
| Profit for the period / year (in ₹)                                           | ₹1,584.18                    | ₹824.90      |
| Weighted average number of equity shares outstanding during the period / year | 13,26,27,995                 | 13,07,46,670 |
| Diluted EPS (₹)                                                               | ₹11.94                       | ₹6.31        |
| <b>Weighted average number of equity shares for Basic Earnings Per Share</b>  |                              |              |
| Balance at the beginning and at the end of the period                         | 13,25,50,273                 | 12,45,10,721 |
| Issued during the period                                                      | 14,608                       | 62,27,312    |
| Weighted average number of equity shares                                      | 13,25,64,881                 | 13,07,38,033 |



Annexure V – Notes forming part of Financial Statements

| Particulars (₹ in MM)                                                   | For the year ended March 31, |              |
|-------------------------------------------------------------------------|------------------------------|--------------|
|                                                                         | 2025                         | 2024         |
| <b>37. Earnings per share</b>                                           |                              |              |
| Weighted average number of equity shares for Diluted Earnings Per Share |                              |              |
| Balance at the beginning and at the end of the period                   | 13,25,50,273                 | 12,45,10,721 |
| Issued during the period                                                | 77,722                       | 62,35,949    |
| Weighted average number of equity shares                                | 13,26,27,995                 | 13,07,46,670 |

| Particulars (₹ in MM)                                                | Currency  | As at March 31, |        |
|----------------------------------------------------------------------|-----------|-----------------|--------|
|                                                                      |           | 2025            | 2024   |
| <b>38. Contingent liabilities, contingent assets and commitments</b> |           |                 |        |
| <b>Contingent Liabilities</b>                                        |           |                 |        |
| Bank Guarantees Issued for                                           |           |                 |        |
| Customs                                                              | ₹         | ₹8.89           | ₹8.89  |
| Gujarat Gas Ltd.                                                     | ₹         | ₹27.31          | ₹20.71 |
| DGVCL                                                                | ₹         | ₹100.46         | ₹54.55 |
| NHI                                                                  | ₹         | ₹0.25           | ₹0.25  |
| GPCB                                                                 | ₹         | ₹0.75           | ₹0.75  |
| Total Margin for above items                                         | ₹         | ₹11.74          | ₹11.83 |
|                                                                      |           |                 |        |
| Raw Material FLC                                                     | US\$ (MM) | ₹0.00           | ₹0.06  |
| Total Margin for above items                                         | ₹         | ₹0.00           | ₹0.62  |
|                                                                      |           |                 |        |
| <b>Income tax demand</b>                                             |           |                 |        |
| AY 2017-18 (PY: 2016-17)                                             | ₹         | ₹0.00           | ₹0.15  |
| AY 2018-19 (PY: 2017-18)                                             | ₹         | ₹0.00           | ₹0.94  |
| AY 2020-21 (PY: 2019-20)                                             | ₹         | ₹1.18           | ₹1.00  |

Note:

All the Contingent Liabilities, except Income Tax Demands, listed above, which are outstanding as on current Balance Sheet date are not 100% secured through cash margins placed with the banks. Company is enjoying Bank Guarantee and LC Limit facilities from the banks.

The Income Tax Demands are under CIT appeal by the Company and the outcome of the same is not known and hence the demand amount has been considered as contingent liability.

| Particulars (₹ in MM)                                                                                                                                                                                                                                                                 | For the year ended March 31, |        |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|--------|
|                                                                                                                                                                                                                                                                                       | 2025                         | 2024   |
| <b>39. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006</b>                                                                                                                                                                     |                              |        |
| Principal amount remaining unpaid to any supplier as at the end of the year                                                                                                                                                                                                           |                              |        |
| Trade payables                                                                                                                                                                                                                                                                        | ₹221.14                      | ₹86.06 |
| Capital creditors                                                                                                                                                                                                                                                                     | ₹0.00                        | ₹0.00  |
| Interest due thereon remaining unpaid to any supplier as at the end of the period/year                                                                                                                                                                                                |                              |        |
| Trade payables                                                                                                                                                                                                                                                                        | ₹0.00                        | ₹0.00  |
| Capital creditors                                                                                                                                                                                                                                                                     | ₹0.00                        | ₹0.00  |
| The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act 2006                                                                                                                                                       | ₹0.00                        | ₹0.00  |
| The amount of payment made to micro and small supplier beyond the appointed day during each accounting year                                                                                                                                                                           | ₹0.00                        | ₹0.00  |
| The amount of interest due and payable for period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act 2006                                                                       | ₹0.00                        | ₹0.00  |
| The amount of interest accrued and remaining unpaid at the end of the accounting year                                                                                                                                                                                                 | ₹0.00                        | ₹0.00  |
| The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006. | ₹0.00                        | ₹0.00  |

Note:

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.



Annexure V – Notes forming part of Financial Statements

40. Related party disclosures

(a) List of related parties and description of relationship

Subsidiary companies

Aether Speciality Chemicals Limited

Entities where Directors are interested

|                                             |                                            |
|---------------------------------------------|--------------------------------------------|
| Ashwin Jayantilal Desai (Managing Director) | Purnima Ashwin Desai (Whole Time Director) |
| Aether Foundation                           | Aether Foundation                          |
| Aether Speciality Chemicals Limited         | Aether Speciality Chemicals Limited        |
| Globe Enviro Care Limited                   |                                            |

|                                          |                                         |
|------------------------------------------|-----------------------------------------|
| Rohan Ashwin Desai (Whole Time Director) | Aman Ashwin Desai (Whole Time Director) |
| Aether Foundation                        | Aether Speciality Chemicals Limited     |
| Aether Speciality Chemicals Limited      | Tripoor Complex (Partnership Firm)      |
| Tripoor Complex (Partnership Firm)       |                                         |

|                                          |                                       |
|------------------------------------------|---------------------------------------|
| Kamalvijay Ramchandra Tulsian (Director) | Ishita Surendra Manjrekar (Director)  |
| J R Dyeing and Printing Mills Ltd.       | Sunanda Speciality Coatings Pvt. Ltd. |
| Tripoor Complex (Partnership Firm)       |                                       |

Key Management Personnel (KMP)

| Name                    | Designation                            |
|-------------------------|----------------------------------------|
| Ashwin Jayantilal Desai | Managing Director                      |
| Purnima Ashwin Desai    | Whole Time Director                    |
| Rohan Ashwin Desai      | Whole Time Director                    |
| Aman Ashwin Desai       | Whole Time Director                    |
| Dr. James W. ringer     | Chief Technology Officer               |
| Faiz Arif Nagariya      | Chief Financial Officer                |
| Chitrarth Rajan Parghi  | Company Secretary & Compliance Officer |

Relatives of management personnel

| Name                          | Relation                                           |
|-------------------------------|----------------------------------------------------|
| Payal Rohan Desai             | Spouse ofDirector – Rohan Ashwin Desai             |
| Kamalvijay Ramchandra HUF     | HUF of Director – Kamalvijay Ramchandra Tulsian    |
| Pramilaben Kamalvijay Tulsian | Spouse of Director – Kamalvijay Ramchandra Tulsian |

40. Related party disclosures

(a) List of related parties and description of relationship

Other Directors on Board

| Name                          | Designation                        |
|-------------------------------|------------------------------------|
| Kamalvijay Ramchandra Tulsian | Chairperson Non-Executive Director |
| Ishita Surendra Manjrekar     | Non-Executive Director             |
| Amol Arvindrao Kulkarni       | Independent Director               |
| Arun Brijmohan Kanodiya       | Independent Director               |
| Jeevanlal Nagori              | Independent Director               |
| Jitendra Papatlal Vakharia    | Independent Director               |
| Leja Satish Hattiangadi       | Independent Director               |
| Rajkumar Mangilal Borana      | Independent Director               |

(b) Related party transactions

| Nature of Transaction             | For the year ended March 31, 2025 |                                               |                          |         | For the year ended March 31, 2024 |                                               |                          |         |
|-----------------------------------|-----------------------------------|-----------------------------------------------|--------------------------|---------|-----------------------------------|-----------------------------------------------|--------------------------|---------|
|                                   | Promoters and their relatives     | Companies Controlled by Directors / Relatives | Other Directors on Board | Total   | Promoters and their relatives     | Companies Controlled by Directors / Relatives | Other Directors on Board | Total   |
| Rent paid                         | ₹5.58                             | ₹0.00                                         | ₹0.00                    | ₹5.58   | ₹6.60                             | ₹0.00                                         | ₹0.00                    | ₹6.60   |
| Managerial Remuneration           | ₹67.25                            | ₹0.00                                         | ₹0.00                    | ₹67.25  | ₹67.25                            | ₹0.00                                         | ₹0.00                    | ₹67.25  |
| Purchase of consumables           | ₹0.00                             | ₹4.75                                         | ₹0.00                    | ₹4.75   | ₹0.00                             | ₹0.00                                         | ₹0.00                    | ₹0.00   |
| Purchase of material for building | ₹0.00                             | ₹34.83                                        | ₹0.00                    | ₹34.83  | ₹0.00                             | ₹27.93                                        | ₹0.00                    | ₹27.93  |
| ETP expenses                      | ₹0.00                             | ₹77.32                                        | ₹0.00                    | ₹77.32  | ₹0.00                             | ₹87.06                                        | ₹0.00                    | ₹87.06  |
| CSR activities                    | ₹0.00                             | ₹1.97                                         | ₹0.00                    | ₹1.97   | ₹0.00                             | ₹1.27                                         | ₹0.00                    | ₹1.27   |
| Salary                            | ₹25.38                            | ₹0.00                                         | ₹0.00                    | ₹25.38  | ₹8.03                             | ₹0.00                                         | ₹0.00                    | ₹8.03   |
| Sitting fee                       | ₹0.00                             | ₹0.00                                         | ₹1.97                    | ₹1.97   | ₹0.00                             | ₹0.00                                         | ₹2.54                    | ₹2.54   |
| Plot bought at Site 1             | ₹0.00                             | ₹109.44                                       | ₹0.00                    | ₹109.44 | ₹0.00                             | ₹0.00                                         | ₹0.00                    | ₹0.00   |
| Purchase of Property              | ₹0.00                             | ₹80.00                                        | ₹0.00                    | ₹80.00  | ₹0.00                             | ₹0.00                                         | ₹0.00                    | ₹0.00   |
| Total                             | ₹98.20                            | ₹308.31                                       | ₹1.97                    | ₹408.48 | ₹81.88                            | ₹116.26                                       | ₹2.54                    | ₹200.68 |



Annexure V – Notes forming part of Financial Statements

| Particulars (₹ in MM)                                                                                                                                                                                                                                                                                          | As at March 31,              |        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|--------|
|                                                                                                                                                                                                                                                                                                                | 2025                         | 2024   |
| <b>40. Related party disclosures</b>                                                                                                                                                                                                                                                                           |                              |        |
| <b>(c) Balances outstanding at the end of the year</b>                                                                                                                                                                                                                                                         |                              |        |
| Rent                                                                                                                                                                                                                                                                                                           | ₹0.59                        | ₹0.59  |
| Material for Building & Structure                                                                                                                                                                                                                                                                              | ₹11.36                       | ₹7.12  |
| ETP Expense                                                                                                                                                                                                                                                                                                    | ₹7.21                        | ₹7.05  |
| Managerial remuneration                                                                                                                                                                                                                                                                                        | ₹3.08                        | ₹5.18  |
| Salary                                                                                                                                                                                                                                                                                                         | ₹1.10                        | ₹0.50  |
| Note:<br>During the above periods, the Company did not enter into any material transaction (as defined in the Company's policy on related party transactions) with related parties. All other transactions of the company with related parties were in the ordinary course of business and at an arm's length. |                              |        |
| Particulars (₹ in MM)                                                                                                                                                                                                                                                                                          | For the year ended March 31, |        |
|                                                                                                                                                                                                                                                                                                                | 2025                         | 2024   |
| <b>(d) Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year:</b>                                                                                                                                                      |                              |        |
| <b>Rent paid</b>                                                                                                                                                                                                                                                                                               |                              |        |
| Payal Desai                                                                                                                                                                                                                                                                                                    | ₹1.80                        | ₹1.80  |
| Kamalvijay Ramchandra HUF                                                                                                                                                                                                                                                                                      | ₹1.89                        | ₹2.40  |
| Pramilaben Kamalvijay Tulsian                                                                                                                                                                                                                                                                                  | ₹1.89                        | ₹2.40  |
| Total                                                                                                                                                                                                                                                                                                          | ₹5.58                        | ₹6.60  |
| <b>Plot bought at Site 1</b>                                                                                                                                                                                                                                                                                   |                              |        |
| Kamalvijay Ramchandra HUF                                                                                                                                                                                                                                                                                      | ₹54.72                       | ₹0.00  |
| Pramilaben Kamalvijay Tulsian                                                                                                                                                                                                                                                                                  | ₹54.72                       | ₹0.00  |
| Total                                                                                                                                                                                                                                                                                                          | ₹109.44                      | ₹0.00  |
| <b>Managerial remuneration</b>                                                                                                                                                                                                                                                                                 |                              |        |
| Ashwin Jayantilal Desai                                                                                                                                                                                                                                                                                        | ₹13.65                       | ₹13.65 |
| Purnima Ashwin Desai                                                                                                                                                                                                                                                                                           | ₹13.65                       | ₹13.65 |
| Rohan Ashwin Desai                                                                                                                                                                                                                                                                                             | ₹19.47                       | ₹19.47 |
| Aman Ashwin Desai                                                                                                                                                                                                                                                                                              | ₹20.48                       | ₹20.48 |
| Total                                                                                                                                                                                                                                                                                                          | ₹67.25                       | ₹67.25 |

| Particulars (₹ in MM)                                                                                                                                     | For the year ended March 31, |         |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|---------|
|                                                                                                                                                           | 2025                         | 2024    |
| <b>(d) Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year:</b> |                              |         |
| <b>Transactions with Companies Controlled by Directors / Relatives</b>                                                                                    |                              |         |
| Sunanda Speciality Coatings Pvt. Ltd. (Consumables)                                                                                                       | ₹4.75                        | ₹0.00   |
| Sunanda Speciality Coatings Pvt. Ltd. (Material for Building)                                                                                             | ₹34.83                       | ₹27.93  |
| Globe Enviro Care Limited (ETP Expenses)                                                                                                                  | ₹77.32                       | ₹87.06  |
| Aether Foundation (CSR Expenses)                                                                                                                          | ₹1.47                        | ₹1.27   |
| KBN Charitable Trust (CSR Expenses)                                                                                                                       | ₹0.50                        | ₹0.00   |
| Total                                                                                                                                                     | ₹118.87                      | ₹116.26 |
| <b>Salary paid</b>                                                                                                                                        |                              |         |
| Dr. James W. Ringer                                                                                                                                       | ₹17.63                       | ₹1.39   |
| Faiz Arif Nagariya                                                                                                                                        | ₹6.83                        | ₹5.69   |
| Chitrarth Rajan Parghi                                                                                                                                    | ₹0.92                        | ₹0.95   |
| Total                                                                                                                                                     | ₹25.38                       | ₹8.03   |
| <b>Payment for ESOP options</b>                                                                                                                           |                              |         |
| Dr. James W. Ringer                                                                                                                                       | ₹2.00                        | ₹0.00   |
| Faiz Arif Nagariya                                                                                                                                        | ₹0.37                        | ₹0.37   |
| Chitrarth Rajan Parghi                                                                                                                                    | ₹0.05                        | ₹0.05   |
| Total                                                                                                                                                     | ₹2.42                        | ₹0.42   |
| <b>Sitting fees to Directors</b>                                                                                                                          |                              |         |
| Amol Arvindrao Kulkarni                                                                                                                                   | ₹0.25                        | ₹0.28   |
| Arun Brijmohan Kanodiya                                                                                                                                   | ₹0.34                        | ₹0.43   |
| Ishita Surendra Manjrekar                                                                                                                                 | ₹0.22                        | ₹0.27   |
| Jeevanlal Nagori                                                                                                                                          | ₹0.26                        | ₹0.33   |
| Jitendra Popatlal Vakharia                                                                                                                                | ₹0.28                        | ₹0.34   |
| Kamalvijay Ramchandra Tulsian                                                                                                                             | ₹0.24                        | ₹0.44   |
| Leja Satish Hattiangadi                                                                                                                                   | ₹0.23                        | ₹0.28   |
| Rajkumar Mangilal Borana                                                                                                                                  | ₹0.17                        | ₹0.17   |
| Total                                                                                                                                                     | ₹1.97                        | ₹2.54   |



Annexure V – Notes forming part of Financial Statements

| Particulars (₹ in MM)                                                                                                                                     | For the year ended March 31, |        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|--------|
|                                                                                                                                                           | 2025                         | 2024   |
| <b>40. Related party disclosures</b>                                                                                                                      |                              |        |
| <b>(d) Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year:</b> |                              |        |
| Purchase of Property                                                                                                                                      |                              |        |
| Tripoor Complex (Partnership Firm)                                                                                                                        | ₹80.00                       | ₹0.00  |
| Total                                                                                                                                                     | ₹80.00                       | ₹0.00  |
| Particulars (₹ in MM)                                                                                                                                     | For the year ended March 31, |        |
|                                                                                                                                                           | 2025                         | 2024   |
| <b>41. Section 35(2AB) of Income Tax Act, 1961 Disclosure</b>                                                                                             |                              |        |
| Salary, wages and PF                                                                                                                                      |                              |        |
| Salary expense                                                                                                                                            | ₹105.85                      | ₹86.90 |
| Overtime wages                                                                                                                                            | ₹7.00                        | ₹6.39  |
| Employer's Contribution to PF                                                                                                                             | ₹2.35                        | ₹1.48  |
| Employee medical insurance expenses                                                                                                                       |                              |        |
| Employer's contribution to ESI                                                                                                                            | ₹0.84                        | ₹3.00  |
| Leave encashment expenses                                                                                                                                 |                              |        |
| Leave encashment expenses                                                                                                                                 | ₹1.68                        | ₹5.06  |
| Other employee related expenses                                                                                                                           |                              |        |
| Bonus                                                                                                                                                     | ₹8.53                        | ₹7.94  |
| Managerial remuneration                                                                                                                                   |                              |        |
| Salaries to Directors                                                                                                                                     | ₹9.45                        | ₹9.45  |
| Bonus to Directors                                                                                                                                        | ₹0.79                        | ₹0.79  |
| Consumption of material                                                                                                                                   |                              |        |
| R&D material consumed                                                                                                                                     | ₹40.39                       | ₹43.22 |
| Power & Fuel                                                                                                                                              |                              |        |
| Diesel Expenses                                                                                                                                           | ₹4.53                        | ₹4.15  |
| Repairs and maintenance                                                                                                                                   |                              |        |
| Plant and machinery                                                                                                                                       | ₹4.09                        | ₹1.21  |
| Buildings                                                                                                                                                 | ₹1.47                        | ₹0.59  |
| Others                                                                                                                                                    | ₹4.60                        | ₹0.92  |

| Particulars (₹ in MM)                                         | For the year ended March 31, |         |
|---------------------------------------------------------------|------------------------------|---------|
|                                                               | 2025                         | 2024    |
| <b>41. Section 35(2AB) of Income Tax Act, 1961 Disclosure</b> |                              |         |
| Electricity expense                                           |                              |         |
| Electricity expense                                           | ₹51.52                       | ₹32.26  |
| Vehicle running expenses                                      |                              |         |
| Petrol and other expenses                                     | ₹0.00                        | ₹1.42   |
| Vehicle repairing expenses                                    | ₹0.00                        | ₹0.50   |
| Vehicle hiring charges                                        | ₹0.00                        | ₹0.90   |
| Rent, rates and taxes                                         |                              |         |
| Rent                                                          | ₹7.41                        | ₹8.78   |
| Other administrative and general expenses                     |                              |         |
| Security expenses                                             | ₹4.42                        | ₹1.97   |
| Total revenue expenditure for R&D (A)                         | ₹254.93                      | ₹216.91 |
| Total capital expenditure for R&D (B)                         | ₹426.30                      | ₹770.17 |
| Total expenditure for R&D (A + B)                             | ₹681.23                      | ₹987.08 |

Note:  
Approval for registration of in- house R&D unit by Department of Science and Industrial Research (DSIR) was received vide letter dated 24th November 2020 and the same was subsequently renewed on June 13, 2023, by DSIR. As the above note is for the disclosure of requirements of Section 35(2AB) of the Income Tax Act, 1961, we have not considered Depreciation here.

42. Financial risk management

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors is responsible for developing and monitoring the Company's risk management policies. The board regularly meets to decide its risk management activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and

the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Board is also assisted by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Board of directors.



Annexure V – Notes forming part of Financial Statements

42. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

(a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess impairment loss or gain. The Company uses a matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and Company's historical experience for

customers.

(i) The company has not made any provision on expected credit loss on trade receivables and other financials assets, based on the management estimates.

(ii) Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings assigned by domestic credit rating agencies.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's treasury department within the Finance Department is responsible for liquidity and funding. In addition policies and procedures relating to such risks are overseen by the management.

The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from the operations.

| Particulars (₹ in MM)         | As at March 31, |            |
|-------------------------------|-----------------|------------|
|                               | 2025            | 2024       |
| Total current assets (A)      | ₹11,381.74      | ₹13,026.52 |
| Total current liabilities (B) | ₹3,507.03       | ₹2,890.87  |
| Working capital (A-B)         | ₹7,874.71       | ₹10,135.66 |
| Current Ratio:                | 3.25            | 4.51       |

Following is the Company's exposure to financial liabilities based on the contractual maturity as at reporting date

| Particulars (₹ in MM) | As at March 31, 2025   |           |         |           |
|-----------------------|------------------------|-----------|---------|-----------|
|                       | Contractual cash flows |           |         |           |
|                       | Carrying               | Less than | More    | Total     |
| Borrowings            | ₹1,825.29              | ₹1,825.29 | ₹0.00   | ₹1,825.29 |
| Trade payables        | ₹1,275.68              | ₹1,275.68 | ₹0.00   | ₹1,275.68 |
| Lease liabilities     | ₹173.41                | ₹25.32    | ₹148.09 | ₹173.41   |
| Other liabilities     | ₹113.55                | ₹113.55   | ₹0.00   | ₹113.55   |

Following is the Company's exposure to financial liabilities based on the contractual maturity as at reporting date

| Particulars (₹ in MM) | As at March 31, 2025   |           |         |           |
|-----------------------|------------------------|-----------|---------|-----------|
|                       | Contractual cash flows |           |         |           |
|                       | Carrying               | Less than | More    | Total     |
| Borrowings            | ₹1,686.18              | ₹1,686.18 | ₹0.00   | ₹1,686.18 |
| Trade payables        | ₹1,035.34              | ₹1,035.34 | ₹0.00   | ₹1,035.34 |
| Lease liabilities     | ₹143.84                | ₹24.46    | ₹119.37 | ₹143.84   |
| Other liabilities     | ₹116.08                | ₹116.08   | ₹0.00   | ₹116.08   |

(c) Market risk

Market risk is the risk that changes with market prices – such as foreign exchange rates and interest rates, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(1) Foreign currency risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. Company transacts business in its functional currency (₹) and in other foreign currencies. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities, where revenue or expense is denominated in a foreign currency.

Following is outstanding foreign currency unhedged exposure

| (i) Financial assets         | As at March 31, 2025 |                   | As at March 31, 2024 |                   |
|------------------------------|----------------------|-------------------|----------------------|-------------------|
|                              | Foreign Currency     | Equivalent amount | Foreign Currency     | Equivalent amount |
| Particulars (₹ in MM)        |                      |                   |                      |                   |
| USD                          |                      |                   |                      |                   |
| Trade receivables            | \$27.69              | ₹2,369.86         | \$16.52              | ₹1,377.54         |
| Balance with banks - in EEFC | \$0.89               | ₹76.12            | \$0.45               | ₹37.72            |
| Total                        | \$28.58              | ₹2,445.98         | \$16.98              | ₹1,415.26         |

Note: Amounts seen as -0.00 are below the disclosure threshold of the company



Annexure V – Notes forming part of Financial Statements

| (ii) Financial liabilities                                                    |  | As at March 31, 2025        |                   | As at March 31, 2024        |                   |
|-------------------------------------------------------------------------------|--|-----------------------------|-------------------|-----------------------------|-------------------|
| Particulars (₹ in MM)                                                         |  | Foreign Currency            | Equivalent amount | Foreign Currency            | Equivalent amount |
| USD                                                                           |  |                             |                   |                             |                   |
| Trade payables                                                                |  | \$1.60                      | ₹136.29           | \$0.10                      | ₹8.27             |
| Total                                                                         |  | \$1.60                      | ₹136.29           | \$0.10                      | ₹8.27             |
| Note: Amounts seen as -0.00 are below the disclosure threshold of the company |  |                             |                   |                             |                   |
| (iii) Currency wise net exposure                                              |  | As at March 31, 2025        |                   | As at March 31, 2024        |                   |
| Particulars (₹ in MM)                                                         |  | Foreign Currency            | Equivalent amount | Foreign Currency            | Equivalent amount |
| USD                                                                           |  | \$26.99                     | ₹2,309.70         | ₹16.88                      | ₹1,406.99         |
| Total                                                                         |  | \$26.99                     | ₹2,309.70         | ₹16.88                      | ₹1,406.99         |
| Note: Amounts seen as -0.00 are below the disclosure threshold of the company |  |                             |                   |                             |                   |
| (iv) Sensitivity analysis                                                     |  | Impact on profit/equity (1% |                   | Impact on profit/equity (1% |                   |
| Particulars (₹ in MM)                                                         |  | March 31, 2025              | March 31, 2024    | March 31, 2025              | March 31, 2024    |
| USD                                                                           |  | \$23.10                     | ₹14.07            | -\$23.10                    | -₹14.07           |
| Total                                                                         |  | \$23.10                     | ₹14.07            | -\$23.10                    | -₹14.07           |
| Note: Amounts seen as -0.00 are below the disclosure threshold of the company |  |                             |                   |                             |                   |

|                                                                                                                                                                                                                                                                                                                        |                                                                                                                                       |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|
| (2) Interest rate risk                                                                                                                                                                                                                                                                                                 |                                                                                                                                       |
| Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. | The Company manages its interest rates by selection appropriate type of borrowings and by negotiation with the bankers.               |
|                                                                                                                                                                                                                                                                                                                        | The exposure of the borrowings (long term and short term ) to interest rate changes at the end of the reporting period are as follows |

| Particulars (₹ in MM)       | As at March 31,                               |             |
|-----------------------------|-----------------------------------------------|-------------|
|                             | 2025                                          | 2024        |
| Variable rate borrowings    | ₹1,825.29                                     | ₹1,686.18   |
| Fixed rate borrowings       | ₹0.00                                         | ₹0.00       |
| Total borrowings            | 1,825.29                                      | 1,686.18    |
| Sensitivity analysis        |                                               |             |
| Particulars (₹ in MM)       | Impact on profit before tax / pre- tax equity |             |
|                             | As at March                                   | As at March |
| Increase by 50 basis points | -₹9.13                                        | -₹8.43      |
| Decrease by 50 basis points | ₹9.13                                         | ₹8.43       |

43. Capital Management

The Company's capital comprises equity share capital, surplus in the statement of profit and loss and other equity attributable to equity holders.

The Company's objectives when managing capital are to :

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital using debt-equity ratio, which is net debt divided by total equity. These ratios are illustrated below:

| Particulars (₹ in MM)                             | As at March 31, |           |
|---------------------------------------------------|-----------------|-----------|
|                                                   | 2025            | 2024      |
| Total liabilities                                 | ₹4,183.34       | ₹3,374.20 |
| Less: cash and cash equivalents and bank balances | ₹2,397.75       | ₹5,556.54 |
| Net debt                                          | 1,785.59        | -2,182.33 |
| Total equity                                      | 22,258.86       | 20,633.24 |
| Net Debt-equity ratio                             | 0.08            | -0.11     |

44. Fair value measurements

(a) Categories of financial instruments

| Particulars<br>(₹ in MM)              | For the year ended March 31, 2025 |             |         |         |                | For the year ended March 31, 2024 |             |         |         |                |
|---------------------------------------|-----------------------------------|-------------|---------|---------|----------------|-----------------------------------|-------------|---------|---------|----------------|
|                                       | Carrying amount                   | Fair values |         |         |                | Carrying amount                   | Fair values |         |         |                |
|                                       |                                   | FVTPL       | FVTPL   | FVTOCI  | Amortised Cost |                                   | FVTPL       | FVTPL   | FVTOCI  | Amortised Cost |
| Category                              |                                   | Level 1     | Level 3 | Level 3 | Level 2        |                                   | Level 1     | Level 3 | Level 3 | Level 2        |
| Financial assets                      |                                   |             |         |         |                |                                   |             |         |         |                |
| Trade receivables                     | ₹2,886.20                         | ₹0.00       | ₹0.00   | ₹0.00   | ₹2,886.20      | ₹2,328.76                         | ₹0.00       | ₹0.00   | ₹0.00   | ₹2,328.76      |
| Cash and cash equivalents             | ₹173.71                           | ₹0.00       | ₹0.00   | ₹0.00   | ₹173.71        | ₹53.66                            | ₹0.00       | ₹0.00   | ₹0.00   | ₹53.66         |
| Other bank balances                   | ₹2,224.04                         | ₹0.00       | ₹0.00   | ₹0.00   | ₹2,224.04      | ₹5,502.88                         | ₹0.00       | ₹0.00   | ₹0.00   | ₹5,502.88      |
| Investments in equity shares-unquoted | ₹2.10                             | ₹0.00       | ₹0.00   | ₹2.10   | ₹0.00          | ₹4.20                             | ₹0.00       | ₹0.00   | ₹2.10   | ₹2.10          |
| Loans                                 | ₹16.87                            | ₹0.00       | ₹0.00   | ₹0.00   | ₹16.87         | ₹11.15                            | ₹0.00       | ₹0.00   | ₹0.00   | ₹11.15         |
| Other financial assets                | ₹332.45                           | ₹0.00       | ₹0.00   | ₹0.00   | ₹332.45        | ₹445.13                           | ₹0.00       | ₹0.00   | ₹0.00   | ₹445.13        |
| Total financial assets                | ₹5,635.38                         | ₹0.00       | ₹0.00   | ₹2.10   | ₹5,633.28      | ₹8,345.77                         | ₹0.00       | ₹0.00   | ₹2.10   | ₹8,343.67      |



Annexure V – Notes forming part of Financial Statements

| 44. Fair value measurements                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                   |             |         |         |                |                                   |             |         |         |                |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-------------|---------|---------|----------------|-----------------------------------|-------------|---------|---------|----------------|
| (a) Categories of financial instruments                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                   |             |         |         |                |                                   |             |         |         |                |
| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | For the year ended March 31, 2025 |             |         |         |                | For the year ended March 31, 2024 |             |         |         |                |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Carrying amount                   | Fair values |         |         |                | Carrying amount                   | Fair values |         |         |                |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                   | FVTPL       | FVTPL   | FVTOCI  | Amortised Cost |                                   | FVTPL       | FVTPL   | FVTOCI  | Amortised Cost |
| Category                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                   | Level 1     | Level 3 | Level 3 | Level 2        |                                   | Level 1     | Level 3 | Level 3 | Level 2        |
| <b>Financial liabilities</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                   |             |         |         |                |                                   |             |         |         |                |
| Borrowings                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | ₹1,825.29                         | ₹0.00       | ₹0.00   | ₹0.00   | ₹1,825.29      | ₹1,686.18                         | ₹0.00       | ₹0.00   | ₹0.00   | ₹1,686.18      |
| Trade payables                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | ₹1,275.68                         | ₹0.00       | ₹0.00   | ₹0.00   | ₹1,275.68      | ₹1,035.34                         | ₹0.00       | ₹0.00   | ₹0.00   | ₹1,035.34      |
| Other financial liabilities                                                                                                                                                                                                                                                                                                                                                                                                                                                        | ₹286.96                           | ₹0.00       | ₹0.00   | ₹0.00   | ₹286.96        | ₹259.92                           | ₹0.00       | ₹0.00   | ₹0.00   | ₹259.92        |
| Total financial liabilities                                                                                                                                                                                                                                                                                                                                                                                                                                                        | ₹3,387.92                         | ₹0.00       | ₹0.00   | ₹0.00   | ₹3,387.92      | ₹2,981.45                         | ₹0.00       | ₹0.00   | ₹0.00   | ₹2,981.45      |
| <b>(b) Fair value hierarchy</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                   |             |         |         |                |                                   |             |         |         |                |
| As per Ind AS 107 "Financial Instrument: Disclosure", fair value disclosures are not required when the carrying amounts reasonably approximate the fair value. As illustrated above, all financial instruments of the company which are carried at amortized cost approximates the fair value (except for which the fair values are mentioned). Investments in Mutual Funds which are designated at FVTPL & investment in shares which are classified as FVTOCI are at fair value. |                                   |             |         |         |                |                                   |             |         |         |                |

45. Details of employee benefits as required by Ind-AS 19 – "Employee benefits are as under"

(i) Defined contribution plan – Provident fund and other funds  
The company has recognized following amounts in the profit & loss account for the year/ period:

| Particulars (₹ in MM)                                            | For the year ended March 31, |        |
|------------------------------------------------------------------|------------------------------|--------|
|                                                                  | 2025                         | 2024   |
| <b>Provident fund</b>                                            |                              |        |
| Employer's Contribution                                          | ₹19.59                       | ₹17.88 |
| Administration charges                                           | ₹0.78                        | ₹0.73  |
| <b>Employer's Contribution to ESI (Employee State Insurance)</b> | ₹2.80                        | ₹3.17  |
| Total                                                            | ₹23.17                       | ₹21.77 |

- (ii) Defined Defined benefit plan
- 1) The defined benefit plan comprises gratuity, which is funded
  - 2) Actuarial gains and losses in respect of defined benefit plans are recognized in the Other Comprehensive Income

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972  
These defined benefit plans expose the Company to actuarial risks, such as longevity risk and interest rate risk

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss, the funded status and amounts recognised in balance sheet for the plan

Changes in the present value of the defined benefit obligation are as follows

| Particulars (₹ in MM)                                                   | As at March 31, |        |
|-------------------------------------------------------------------------|-----------------|--------|
|                                                                         | 2025            | 2024   |
| <b>Present Value of Benefit Obligation at the Beginning of the year</b> | ₹47.79          | ₹33.33 |
| Interest cost                                                           | ₹3.43           | ₹2.50  |
| Current service cost                                                    | ₹10.19          | ₹8.29  |
| Benefits paid                                                           | -₹1.78          | -₹0.34 |
| <b>Actuarial (Gains)/Losses on Obligations –</b>                        |                 |        |
| - Due to Change in Demographic Assumptions                              | ₹0.00           | ₹0.00  |
| - Due to Change in Financial Assumptions                                | ₹3.32           | ₹1.69  |
| - Due to Experience                                                     | ₹1.32           | ₹2.33  |
| Present value of obligation at the end of the year                      | ₹64.26          | ₹47.79 |



Annexure V – Notes forming part of Financial Statements

45. Details of employee benefits as required by Ind-AS 19 –

Changes in the fair value of plan assets are as follows

| Particulars (₹ in MM)                                          | As at March 31, |        |
|----------------------------------------------------------------|-----------------|--------|
|                                                                | 2025            | 2024   |
| Fair value of plan assets at the beginning of the year         | ₹50.49          | ₹36.24 |
| Interest income                                                | ₹3.62           | ₹2.72  |
| Contributions                                                  | ₹10.67          | ₹12.32 |
| Mortality charges and taxes                                    | ₹0.00           | ₹0.00  |
| Benefits paid                                                  | -₹1.78          | -₹0.34 |
| Return on plan assets, excluding amount recognized in Interest | -₹0.34          | -₹0.44 |
| Fair value of Plan assets at end of the year                   | ₹62.67          | ₹50.49 |

Net interest cost for current period

| Particulars (₹ in MM)                                              | For the year ended March 31, |         |
|--------------------------------------------------------------------|------------------------------|---------|
|                                                                    | 2025                         | 2024    |
| Present Value of Benefit Obligation at the Beginning of the Period | ₹47.79                       | ₹33.33  |
| Fair Value of Plan Assets at the Beginning of the Period           | -₹50.49                      | -₹36.24 |
| Net Interest Cost for Current Period                               | -₹2.71                       | -₹2.91  |
| Interest Cost                                                      | ₹3.43                        | ₹2.50   |
| Interest Income                                                    | -₹3.62                       | -₹2.72  |
| Net Interest Cost for Current Period                               | -₹0.20                       | -₹0.22  |

Net employee benefit expense on account of gratuity recognised in employee benefit expenses

| Particulars (₹ in MM)          | For the year ended March 31, |        |
|--------------------------------|------------------------------|--------|
|                                | 2025                         | 2024   |
| Current service cost           | ₹10.19                       | ₹8.29  |
| Net interest (Income)/ Expense | -₹0.20                       | -₹0.22 |
| Net benefit expense            | ₹10.00                       | ₹8.07  |

Amount recognised in the statement of other comprehensive income

| Particulars (₹ in MM)                                                                                | For the year ended March 31, |       |
|------------------------------------------------------------------------------------------------------|------------------------------|-------|
|                                                                                                      | 2025                         | 2024  |
| Re-measurement for the year - obligation (gain) / loss                                               | ₹4.63                        | ₹4.02 |
| Re-measurement for the year - plan assets (gain) / loss                                              | ₹0.34                        | ₹0.44 |
| Total re-measurements cost / (credit) for the period / year recognised in other comprehensive income | ₹4.97                        | ₹4.46 |

45. Details of employee benefits as required by Ind-AS 19 –

Net Defined Benefit Liability/(Asset) for the year

| Particulars (₹ in MM)                         | As at March 31, |        |
|-----------------------------------------------|-----------------|--------|
|                                               | 2025            | 2024   |
| Defined Benefit Obligation                    | ₹64.26          | ₹47.79 |
| Fair value of plan assets                     | ₹62.67          | ₹50.49 |
| Closing net defined benefit liability/(asset) | ₹1.59           | -₹2.70 |

| Particulars (₹ in MM) | As at March 31, |        |
|-----------------------|-----------------|--------|
|                       | 2025            | 2024   |
| Current               | ₹1.59           | -₹2.70 |
| Non-Current           | ₹0.00           | ₹0.00  |

The principal assumptions used in determining gratuity obligations for the Company’s plan are shown below:

Assumptions

| Particulars                             | As at March 31, |                 |
|-----------------------------------------|-----------------|-----------------|
|                                         | 2025            | 2024            |
| Mortality table                         | %               | %               |
|                                         | Indian          | Indian          |
|                                         | Assured Lives   | Assured Lives   |
|                                         | Mortality       | Mortality       |
|                                         | 2012-14 (Urban) | 2012-14 (Urban) |
| Discount rate                           | 6.81%           | 7.22%           |
| Rate of increase in compensation levels | 8.00%           | 8.00%           |
| Expected rate of return on plan assets  | 6.81%           | 7.22%           |
| Withdrawal rate #                       |                 |                 |
| Age up to 30 years                      | 5.00%           | 5.00%           |
| Age 31 - 40 years                       | 5.00%           | 5.00%           |
| Age 41 - 50 years                       | 5.00%           | 5.00%           |
| Age above 50 years                      | 5.00%           | 5.00%           |



Annexure V – Notes forming part of Financial Statements

45. Details of employee benefits as required by Ind-AS 19

A quantitative sensitivity analysis for significant assumption as at 31 March 2025 & 31 March 2024 is as shown below:

| Assumptions                                          | Defined benefit obligation         |                                    |                                    |                                    |
|------------------------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
|                                                      | As at March 31, 2025               |                                    | As at March 31, 2024               |                                    |
|                                                      | Increase by<br>100 basis<br>points | Decrease by<br>100 basis<br>points | Increase by<br>100 basis<br>points | Decrease by<br>100 basis<br>points |
| Delta effect of 1% change in rate of discounting     | -₹18.22                            | ₹5.71                              | -₹5.63                             | ₹6.88                              |
| Delta effect of 1% change in rate of salary increase | ₹6.25                              | -₹18.05                            | ₹6.34                              | -₹5.47                             |
| Delta effect of 1% change in rate of employee        | -₹13.23                            | ₹11.88                             | -₹0.64                             | ₹0.71                              |

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the Present value of obligation and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying one parameter at a time and studying its impact.

Expected future benefit payments

The following benefit payments, for each of the next five years and the aggregate five years thereafter, are expected to be paid:

| Duration of defined benefit payments | March 31, 2025 | March 31, 2024 |
|--------------------------------------|----------------|----------------|
| 1st Following Year                   | 2.22           | 2.09           |
| 2nd Following Year                   | 2.69           | 1.98           |
| 3rd Following Year                   | 2.86           | 2.24           |
| 4th Following Year                   | 3.13           | 2.36           |
| 5th Following Year                   | 3.47           | 2.54           |
| Sum of Years 6 To 10                 | 18.56          | 14.25          |
| Sum of Years 11 and above            | 163.35         | 132.37         |

46. Stock options scheme

Aether Industries Limited – Employee Stock Option Scheme – 2021 (AIL ESOS 2021)

The Company has instituted equity-settled Employee Stock Option Scheme – 2021 duly approved by the shareholders in the extra-ordinary general meeting of the Company held on 18 November 2021. The Company introduced the AIL ESOS 2021 primarily with a view to attract, retain and incentivise the existing and new employees of the Company and motivate them to contribute to the growth and profitability of the Company. The shareholders by way of special resolution have authorised the Nomination and Remuneration Committee to grant options not exceeding 11,00,000 to the eligible employees under the AIL ESOS 2021, in one or more tranches, with each such option conferring a right upon the Eligible employee to apply for one share of the Company.

As per AIL ESOS 2021, the Nomination and Remuneration Committee shall determine the eligibility criteria for employees to whom the options would be granted and shall approve the grant of options. The options granted on any date shall vest not earlier than

1 (one) year and not later than a maximum of 7 (seven) years from the date of grant of options. Vesting of options would be subject to continued employment with the Company. The exercise period shall be 7 (seven) years from the date of vesting of options. The vested options can be exercised by the employee any time within the exercise period, or such other shorter period as may be prescribed by the Nomination and Remuneration Committee from time to time and as set out in the Grant Letter.

The scheme was modified on 27 September 2022 and the revised terms are prospectively applicable to all grants under the scheme. The modified terms are defined as follows:  
The vesting period is minimum 1 (one) year but not later than 15 (fifteen) years from the date of grant of options. Vesting of options would be subject to continued employment with the Company. The exercise period shall be 15 (fifteen) years from the date of vesting of options, subject to exceptional circumstances. The vested options can be exercised by the employee any time within the exercise period, or such other shorter period as may be prescribed by the Nomination and Remuneration Committee from time to time and as set out in the Grant Letter.

Under the said scheme Nomination and Remuneration Committee of the board of directors has granted following options to its eligible employees:

| Grant Date        | Tranche  | No. of options | Total no. of options |
|-------------------|----------|----------------|----------------------|
| November 20, 2021 | Trench 1 | 1,81,122       | 4,08,163             |
| November 20, 2022 | Trench 2 | 12,461         |                      |
| November 20, 2022 | Trench 3 | 24,922         |                      |
| November 20, 2022 | Trench 4 | 3,181          |                      |
| May 09, 2023      | Trench 5 | 1,35,114       |                      |
| August 18, 2023   | Trench 6 | 4,692          |                      |
| July 18, 2024     | Trench 7 | 11,805         |                      |
| December 17, 2024 | Trench 8 | 34,866         |                      |



Annexure V – Notes forming part of Financial Statements

46. Stock options scheme

Reconciliation of outstanding employee stock options

| Particulars                        | As at March 31, 2025                  |           | As at March 31, 2024                  |           |
|------------------------------------|---------------------------------------|-----------|---------------------------------------|-----------|
|                                    | Weighted                              | Number of | Weighted                              | Number of |
|                                    | average exercise price per option (₹) | options   | average exercise price per option (₹) | options   |
| Opening balance                    | ₹597.39                               | 2,79,232  | ₹321.00                               | 1,74,156  |
| Granted during the year            | ₹522.68                               | 46,671    | ₹885.00                               | 1,39,806  |
| Exercised during the year          | ₹321.00                               | 39,968    | ₹321.00                               | 26,732    |
| Forfeited / Lapsed during the year | ₹655.38                               | 12,386    | ₹643.69                               | 7,998     |
| Closing Balance                    | ₹622.40                               | 2,73,549  | ₹597.39                               | 2,79,232  |
| Options exercisable at the end of  | -                                     | 0         | -                                     | 0         |

Weighted average share price on the date of exercise is ₹862.14/- (Previous Year: ₹882.45\*)

\*Weighted average exercise price of shares is required to be disclosed, where share options are exercised during the period.

Stock options outstanding at the end of the period have the following remaining contractual life

| Grant date        | Expiry date       | Exercise price (₹) | Options outstanding as at 31 March 2025 | Options outstanding as at 31 March 2024 |
|-------------------|-------------------|--------------------|-----------------------------------------|-----------------------------------------|
| November 20, 2021 | November 20, 2027 | ₹321.00            | 0                                       | 26,616                                  |
| November 20, 2021 | November 20, 2028 | ₹321.00            | 23,030                                  | 24,072                                  |
| November 20, 2021 | November 20, 2029 | ₹321.00            | 20,040                                  | 21,044                                  |
| November 20, 2021 | November 20, 2030 | ₹321.00            | 19,046                                  | 19,969                                  |
| November 20, 2021 | November 20, 2031 | ₹321.00            | 12,693                                  | 13,308                                  |
| November 20, 2022 | November 20, 2026 | ₹321.00            | 0                                       | 10,384                                  |
| November 20, 2022 | November 20, 2027 | ₹321.00            | 6,231                                   | 10,384                                  |
| November 20, 2022 | November 20, 2028 | ₹321.00            | 10,384                                  | 10,384                                  |
| November 20, 2022 | November 20, 2029 | ₹321.00            | 6,231                                   | 6,231                                   |
| May 09, 2023      | May 09, 2028      | ₹885.00            | 41,616                                  | 44,049                                  |
| May 09, 2023      | May 09, 2029      | ₹885.00            | 41,616                                  | 44,049                                  |
| May 09, 2023      | May 09, 2030      | ₹885.00            | 41,616                                  | 44,049                                  |
| August 18, 2023   | August 18, 2028   | ₹885.00            | 1,564                                   | 1,564                                   |
| August 18, 2023   | August 18, 2029   | ₹885.00            | 1,564                                   | 1,564                                   |
| August 18, 2023   | August 18, 2030   | ₹885.00            | 1,564                                   | 1,564                                   |

| Grant date                                                                                      | Expiry date      | Exercise price (₹) | Options outstanding as at 31 March 2025 | Options outstanding as at 31 March 2024 |
|-------------------------------------------------------------------------------------------------|------------------|--------------------|-----------------------------------------|-----------------------------------------|
| July 18, 2024                                                                                   | July 18, 2027    | ₹885.00            | 3,935                                   |                                         |
| July 18, 2024                                                                                   | July 18, 2028    | ₹885.00            | 3,935                                   |                                         |
| July 18, 2024                                                                                   | July 18, 2029    | ₹885.00            | 3,935                                   |                                         |
| December 17, 2024                                                                               | January 15, 2026 | ₹400.00            | 34,550                                  |                                         |
| Total                                                                                           |                  |                    | 2,73,549                                | 2,79,231                                |
| Weighted average remaining contractual life of the options outstanding at the end of the period |                  |                    | 4.34 years                              | 3.52 years                              |

Fair value of the options granted

The fair value of the options granted is mentioned below as per vesting period. The fair value of the options is determined using Black-Scholes-Merton model which takes into account the exercise price, the term of the option (time to maturity), the share price as at the grant date and expected price volatility (standard deviation) of the underlying share, the expected dividend yield and risk-free interest rate for the term of the option.

Fair value and assumptions for the equity-settled grant made on December 17, 2024

|                                 |                  |
|---------------------------------|------------------|
| Grant: AIL ESOS 2021            | Vesting date     |
| Grant Date: December 17, 2024   | January 15, 2026 |
| Input variables                 |                  |
| Stock price per share (₹)       | ₹877.30          |
| Standard Deviation (Volatility) | 27.94%           |
| Risk-free rate                  | 6.67%            |
| Exercise price (₹)              | ₹400.00          |
| Time to maturity (in years)     | 2.00             |
| Dividend yield                  | 0.00%            |
| Output                          |                  |
| Fair value of options (₹)       | ₹529.92          |

Fair value and assumptions for the equity-settled grant made on July 18, 2024

|                                 |               |               |               |
|---------------------------------|---------------|---------------|---------------|
| Grant: AIL ESOS 2021 (modified) | Vesting date  |               |               |
| Grant Date: July 18, 2024       | July 18, 2025 | July 18, 2026 | July 18, 2027 |
| Input variables                 |               |               |               |
| Stock price per share (₹)       | ₹890.10       | ₹890.10       | ₹890.10       |
| Standard Deviation (Volatility) | 31.22%        | 34.35%        | 36.47%        |
| Risk-free rate                  | 6.88%         | 6.88%         | 6.91%         |
| Exercise price (₹)              | ₹885.00       | ₹885.00       | ₹885.00       |
| Time to maturity (in years)     | 2.00          | 3.00          | 4.00          |



Annexure V – Notes forming part of Financial Statements

| Fair value and assumptions for the equity-settled grant made on July 18, 2024     |  |                   |                   |                   |
|-----------------------------------------------------------------------------------|--|-------------------|-------------------|-------------------|
| Grant: AIL ESOS 2021 (modified)                                                   |  | Vesting date      |                   |                   |
| Grant Date: July 18, 2024                                                         |  | July 18, 2025     | July 18, 2026     | July 18, 2027     |
| Dividend yield                                                                    |  | 0.00%             | 0.00%             | 0.00%             |
| Output                                                                            |  |                   |                   |                   |
| Fair value of options (₹)                                                         |  | ₹212.00           | ₹284.33           | ₹347.22           |
| Fair value and assumptions for the equity-settled grant made on August 18, 2023   |  |                   |                   |                   |
| Grant: AIL ESOS 2021 (modified)                                                   |  | Vesting date      |                   |                   |
| Grant Date: August 18, 2023                                                       |  | May 9, 2025       | May 9, 2026       | May 9, 2027       |
| Input variables                                                                   |  |                   |                   |                   |
| Stock price per share (₹)                                                         |  | ₹1,040.55         | ₹1,040.55         | ₹1,040.55         |
| Standard Deviation (Volatility)                                                   |  | 34.07%            | 38.42%            | 37.42%            |
| Risk-free rate                                                                    |  | 7.22%             | 7.22%             | 7.21%             |
| Exercise price (₹)                                                                |  | ₹885.00           | ₹885.00           | ₹885.00           |
| Time to maturity (in years)                                                       |  | 2.72              | 3.72              | 4.72              |
| Dividend yield                                                                    |  | 0.00%             | 0.00%             | 0.00%             |
| Output                                                                            |  |                   |                   |                   |
| Fair value of options (₹)                                                         |  | ₹389.24           | ₹468.17           | ₹513.85           |
| Fair value and assumptions for the equity-settled grant made on May 9, 2023       |  |                   |                   |                   |
| Grant: AIL ESOS 2021 (modified)                                                   |  | Vesting date      |                   |                   |
| Grant Date: May 9, 2023                                                           |  | May 9, 2025       | May 9, 2026       | May 9, 2027       |
| Input variables                                                                   |  |                   |                   |                   |
| Stock price per share (₹)                                                         |  | ₹931.90           | ₹931.90           | ₹931.90           |
| Standard Deviation (Volatility)                                                   |  | 44.72%            | 43.19%            | 43.1%             |
| Risk-free rate                                                                    |  | 6.99%             | 7.00%             | 7.03%             |
| Exercise price (₹)                                                                |  | ₹885.00           | ₹885.00           | ₹885.00           |
| Time to maturity (in years)                                                       |  | 3.00              | 4.00              | 5.00              |
| Dividend yield                                                                    |  | 0.00%             | 0.00%             | 0.00%             |
| Output                                                                            |  |                   |                   |                   |
| Fair value of options (₹)                                                         |  | ₹400.29           | ₹443.53           | ₹487.97           |
| Fair value and assumptions for the equity-settled grant made on November 20, 2022 |  |                   |                   |                   |
| i. Tranche I                                                                      |  |                   |                   |                   |
| Grant: AIL ESOS 2021 (modified)                                                   |  | Vesting date      |                   |                   |
| Grant Date: November 22, 2022                                                     |  | November 20, 2023 | November 20, 2023 | November 20, 2023 |
| Input variables                                                                   |  |                   |                   |                   |
| Stock price per share (₹)                                                         |  | ₹985.35           | ₹985.35           | ₹985.35           |
| Standard Deviation (Volatility)                                                   |  | 43.46%            | 42.33%            | 42.68%            |
| Risk-free rate                                                                    |  | 7.26%             | 7.34%             | 7.35%             |
| Exercise price (₹)                                                                |  | ₹503.00           | ₹503.00           | ₹503.00           |
| Time to maturity (in years)                                                       |  | 5.50              | 6.50              | 7.50              |
| Dividend yield                                                                    |  | 0.00%             | 0.00%             | 0.00%             |
| Output                                                                            |  |                   |                   |                   |
| Fair value of options (₹)                                                         |  | ₹688.80           | ₹713.27           | ₹738.17           |

| Fair value and assumptions for the equity-settled grant made on November 20, 2022 |  |  |                   |                   |                   |                   |                   |                   |
|-----------------------------------------------------------------------------------|--|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Grant: AIL ESOS 2021 (modified)                                                   |  |  | Vesting date      |                   |                   |                   |                   |                   |
| Grant Date: November 22, 2022                                                     |  |  | November 20, 2023 | November 20, 2024 | November 20, 2024 | November 20, 2025 | November 20, 2025 | November 20, 2025 |
| Standard Deviation (Volatility)                                                   |  |  | 44.39%            |                   |                   | 45.90%            |                   | 44.84%            |
| Risk-free rate                                                                    |  |  | 7.03%             |                   |                   | 7.12%             |                   | 7.16%             |
| Exercise price (₹)                                                                |  |  | ₹321.00           |                   |                   | ₹321.00           |                   | ₹321.00           |
| Time to maturity (in years)                                                       |  |  | 2.50              |                   |                   | 3.50              |                   | 4.50              |
| Dividend yield                                                                    |  |  | 0.00%             |                   |                   | 0.00%             |                   | 0.00%             |
| Output                                                                            |  |  |                   |                   |                   |                   |                   |                   |
| Fair value of options (₹)                                                         |  |  | ₹720.47           |                   |                   | ₹744.50           |                   | ₹764.60           |
| ii. Tranche II                                                                    |  |  |                   |                   |                   |                   |                   |                   |
| Grant: AIL ESOS 2021 (modified)                                                   |  |  | Vesting date      |                   |                   |                   |                   |                   |
| Grant Date: November 22, 2022                                                     |  |  | November 20, 2023 | November 20, 2024 | November 20, 2024 | November 20, 2025 | November 20, 2025 | November 20, 2026 |
| Input variables                                                                   |  |  |                   |                   |                   |                   |                   |                   |
| Stock price per share (₹)                                                         |  |  | ₹985.35           |                   |                   | ₹985.35           |                   | ₹985.35           |
| Standard Deviation                                                                |  |  | 46.81%            |                   |                   | 44.37%            |                   | 42.66%            |
| Risk-free rate                                                                    |  |  | 7.08%             |                   |                   | 7.12%             |                   | 7.18%             |
| Exercise price (₹)                                                                |  |  | ₹321.00           |                   |                   | ₹321.00           |                   | ₹321.00           |
| Time to maturity (in years)                                                       |  |  | 3.00              |                   |                   | 4.00              |                   | 5.00              |
| Dividend yield                                                                    |  |  | 0.00%             |                   |                   | 0.00%             |                   | 0.00%             |
| Output                                                                            |  |  |                   |                   |                   |                   |                   |                   |
| Fair value of options (₹)                                                         |  |  | ₹733.86           |                   |                   | ₹753.56           |                   | ₹773.65           |
| iii. Tranche III                                                                  |  |  |                   |                   |                   |                   |                   |                   |
| Grant: AIL ESOS 2021 (modified)                                                   |  |  | Vesting date      |                   |                   |                   |                   |                   |
| Grant Date: November 22, 2022                                                     |  |  | November 20, 2024 | November 20, 2025 | November 20, 2026 | November 20, 2027 | November 20, 2028 | November 20, 2029 |
| Input variables                                                                   |  |  |                   |                   |                   |                   |                   |                   |
| Stock price per share (₹)                                                         |  |  | ₹985.35           |                   |                   | ₹985.35           |                   | ₹985.35           |
| Standard Deviation (Volatility)                                                   |  |  | 43.46%            |                   |                   | 42.33%            |                   | 42.68%            |
| Risk-free rate                                                                    |  |  | 7.26%             |                   |                   | 7.34%             |                   | 7.35%             |
| Exercise price (₹)                                                                |  |  | ₹503.00           |                   |                   | ₹503.00           |                   | ₹503.00           |
| Time to maturity (in years)                                                       |  |  | 5.50              |                   |                   | 6.50              |                   | 7.50              |
| Dividend yield                                                                    |  |  | 0.00%             |                   |                   | 0.00%             |                   | 0.00%             |
| Output                                                                            |  |  |                   |                   |                   |                   |                   |                   |
| Fair value of options (₹.)                                                        |  |  | ₹688.80           |                   |                   | ₹713.27           |                   | ₹738.17           |



Annexure V – Notes forming part of Financial Statements

Fair value and assumptions for the equity-settled grant made on 20 November 2021

| Grant: AIL ESOS 2021<br>(modified) | Vesting date         |                      |                      |                      |                      |                      |                      |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|                                    | November<br>20, 2022 | November<br>20, 2023 | November<br>20, 2024 | November<br>20, 2025 | November<br>20, 2026 | November<br>20, 2027 | November<br>20, 2028 |
| Grant Date: November 22, 2021      |                      |                      |                      |                      |                      |                      |                      |
| Input variables                    |                      |                      |                      |                      |                      |                      |                      |
| Stock price per share (₹)          | ₹411.81              | ₹411.81              | ₹411.81              | ₹411.81              | ₹411.81              | ₹411.81              | ₹411.81              |
| Standard Deviation (Volatility)    | 41.64%               | 40.62%               | 41.21%               | 40.77%               | 41.31%               | 41.35%               | 41.89%               |
| Risk-free rate                     | 5.72%                | 5.96%                | 6.19%                | 6.29%                | 6.36%                | 6.37%                | 6.48%                |
| Exercise price (₹)                 | ₹321.00              | ₹321.00              | ₹321.00              | ₹321.00              | ₹321.00              | ₹321.00              | ₹321.00              |
| Time to maturity (in years)        | 4.50                 | 5.50                 | 6.50                 | 7.50                 | 8.50                 | 9.50                 | 10.50                |
| Dividend yield                     | 0.00%                | 0.00%                | 0.00%                | 0.00%                | 0.00%                | 0.00%                | 0.00%                |
| Output                             |                      |                      |                      |                      |                      |                      |                      |
| Fair value of options (₹)          | ₹210.91              | ₹226.79              | ₹244.51              | ₹257.65              | ₹271.43              | ₹282.50              | ₹294.59              |

Rationale for principal variables used

- Time to maturity of options is the period of time from the grant date to the date on which option is expected to be exercised. The minimum life of stock option is the minimum period before which the options cannot be exercised, and maximum life is the period after which the options cannot be exercised.
  - The expected price volatility is based on the historic volatility, adjusted for any changes to future volatility due to publicly available information.
- The company has recorded employee share-based compensation expense in the current year amounting to ₹33.27 million (Previous year: ₹36.76 million) for the options granted to the employees.

47. Revenue from contracts with customers

(a) Reconciliation of revenue recognised with the contracted price is as follows

| Particulars (₹ in MM)                                                           | For the year ended March 31, |           |
|---------------------------------------------------------------------------------|------------------------------|-----------|
|                                                                                 | 2025                         | 2024      |
| Gross sales (contracted price)                                                  | ₹8,390.73                    | ₹5,990.49 |
| Reductions towards variable consideration (Discount & Delayed Delivery Charges) | -₹3.83                       | -₹8.76    |
| Revenue recognised                                                              | ₹8,386.90                    | ₹5,981.72 |

The Company derives its revenue from contracts with customers for the transfer of goods and services at a point in time and over the period in the following major product lines. The disclosure of revenue by product line is consistent with the revenue information that is disclosed for each reportable segment under Ind AS 108.

(b) Revenue by Business Classification

| Particulars (₹ in MM)                                | For the year ended March 31, |           |
|------------------------------------------------------|------------------------------|-----------|
|                                                      | 2025                         | 2024      |
| Large Scale Manufacturing (LSM)                      | ₹4,623.55                    | ₹3,564.52 |
| Contract / Exclusive Manufacturing (CEM)             | ₹2,630.07                    | ₹1,534.53 |
| Contract Research and Manufacturing Services (CRAMS) | ₹1,027.54                    | ₹826.61   |
| Others                                               | ₹105.74                      | ₹56.06    |
| Total revenue                                        | ₹8,386.90                    | ₹5,981.72 |

(c) Revenue by Geographies / Regions:

| Particulars (₹ in MM)            | For the year ended March 31, |           |
|----------------------------------|------------------------------|-----------|
|                                  | 2025                         | 2024      |
| India (including Deemed Exports) | ₹4,737.30                    | ₹3,483.62 |
| India (SEZ)                      | ₹337.61                      | ₹347.59   |
| Mexico                           | ₹880.07                      | ₹57.53    |
| USA                              | ₹570.90                      | ₹342.98   |
| Germany                          | ₹530.38                      | ₹432.86   |
| Spain                            | ₹385.94                      | ₹232.41   |
| Japan                            | ₹198.84                      | ₹210.49   |
| Italy                            | ₹148.22                      | ₹644.75   |
| Switzerland                      | ₹135.29                      | ₹6.56     |
| China                            | ₹133.15                      | ₹44.91    |
| Netherlands                      | ₹65.25                       | ₹55.76    |
| United Kingdom                   | ₹53.48                       | ₹9.11     |
| Czech Republic                   | ₹50.48                       | ₹0.00     |
| Central African Republic         | ₹48.46                       | ₹0.00     |
| Belgium                          | ₹27.75                       | ₹0.14     |
| Israel                           | ₹27.55                       | ₹58.45    |
| France                           | ₹21.80                       | ₹1.03     |
| Sweden                           | ₹12.59                       | ₹12.76    |
| Taiwan                           | ₹12.29                       | ₹4.00     |
| Romania                          | ₹7.44                        | ₹14.94    |
| Hungary                          | ₹2.11                        | ₹21.83    |
| Total revenue                    | ₹8,386.90                    | ₹5,981.72 |



Annexure V – Notes forming part of Financial Statements

48. Leases

(a) For Right-of-use assets schedule – Please refer note 5

(b) Lease liabilities

| Particulars (₹ in MM) | As at March 31, |         |
|-----------------------|-----------------|---------|
|                       | 2025            | 2024    |
| Current               | ₹25.32          | ₹24.46  |
| Non-current           | ₹148.09         | ₹119.37 |
| Total                 | ₹173.41         | ₹143.84 |

(c) Interest expenses on lease liabilities

| Particulars (₹ in MM)         | For the year ended March 31, |        |
|-------------------------------|------------------------------|--------|
|                               | 2025                         | 2024   |
| Interest on lease liabilities | ₹14.10                       | ₹15.68 |

(d) Expenses on short term leases / low value assets

| Particulars (₹ in MM) | For the year ended March 31, |       |
|-----------------------|------------------------------|-------|
|                       | 2025                         | 2024  |
| Short-term lease      | ₹6.93                        | ₹3.21 |
| Non-current           | ₹0.00                        | ₹0.23 |

(e) Amounts recognised in the statement of cash flow

| Particulars (₹ in MM)         | For the year ended March 31, |        |
|-------------------------------|------------------------------|--------|
|                               | 2025                         | 2024   |
| Total cash outflow for leases | ₹25.28                       | ₹26.23 |

(f) Maturity analysis – contractual un-discounted cash flows

| Particulars (₹ in MM)                 | As at March 31, |         |
|---------------------------------------|-----------------|---------|
|                                       | 2025            | 2024    |
| Less than one year                    | ₹25.27          | ₹24.46  |
| One year to five years                | ₹63.42          | ₹70.54  |
| More than five years                  | ₹313.35         | ₹202.79 |
| Total un-discounted lease liabilities | ₹402.04         | ₹297.80 |

49. Operating segment

| Particulars (₹ in MM)      | For the year ended March 31, |           |
|----------------------------|------------------------------|-----------|
|                            | 2025                         | 2024      |
| Sales value                |                              |           |
| India                      | ₹5,074.91                    | ₹3,831.21 |
| Rest of the world          | ₹3,311.99                    | ₹2,150.51 |
|                            | ₹8,386.90                    | ₹5,981.72 |
| Carrying amount of assets* |                              |           |
| India                      | ₹516.35                      | ₹951.22   |
| Rest of the world          | ₹2,369.86                    | ₹1,377.54 |
|                            | ₹2,886.20                    | ₹2,328.76 |

\* Segment assets represent trade receivables

Additions to property, plant and equipment, right of use assets and

|       |           |           |
|-------|-----------|-----------|
| India | ₹3,043.96 | ₹2,482.68 |
|       | ₹3,043.96 | ₹2,482.68 |

50. Corporate social responsibility

As per the provisions of section 135 of Companies Act 2013, the Company was required to spend ₹29.00 million (March 31, 2024: ₹27.65 million), being 2% of average net profits made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy on the activities specified in Schedule VII of the Act. However, the Company has spent ₹28.63 million (March 31, 2024: ₹27.96 million) towards Corporate Social Responsibility activities. Below are the details of the amount spent during the year

| Particulars (₹ in MM)               | CSR Activities                                           | For the year ended March 31, |        |
|-------------------------------------|----------------------------------------------------------|------------------------------|--------|
|                                     |                                                          | 2025                         | 2024   |
| Aether Foundation                   | Training for sport which is recognised at national level | ₹1.52                        | ₹1.27  |
| Ambika Education Trust              | Promoting education in rural area                        | ₹2.00                        | ₹13.90 |
| A J Charitable Trust                | Facilities to old age homes – senior citizens            | ₹0.10                        | ₹0.00  |
| Adarsh Kelwani Mandal               | Promoting Education                                      | ₹0.50                        | ₹0.00  |
| Ankleshwar Rotary Education Society | Promoting Education                                      | ₹0.43                        | ₹0.00  |
| GCSA Foundation                     | Promoting Education                                      | ₹0.50                        | ₹0.00  |
| Gram Seva Samaj                     | Promoting Education                                      | ₹4.20                        | ₹0.00  |
| Indian Chemical Society             | Promoting Education                                      | ₹1.19                        | ₹1.60  |
| Institute of Chemical Technology    | Promoting Education                                      | ₹1.23                        | ₹1.30  |
| Jivan Vikas Trust                   | Facilities to old age homes – senior citizens            | ₹0.60                        | ₹0.00  |
| Kalki Tejomaya Charitable Trust     | Promoting Education                                      | ₹0.20                        | ₹0.00  |



Annexure V – Notes forming part of Financial Statements

| Particulars (₹ in MM)                     | CSR Activities                                                                                 | For the year ended March 31, |        |
|-------------------------------------------|------------------------------------------------------------------------------------------------|------------------------------|--------|
|                                           |                                                                                                | 2025                         | 2024   |
| Kajorimal Basantilal Nagori Trust         | Promoting education in rural area                                                              | ₹0.50                        | ₹0.00  |
| Khadi Kutir                               | Promoting education                                                                            | ₹4.00                        | ₹0.00  |
| Kifi Association                          | Training for sport (kudo)                                                                      | ₹0.50                        | ₹0.00  |
| Shivam Education Trust                    | Nursing College Building                                                                       | ₹0.00                        | ₹1.15  |
| Surat Manav Seva Sangh                    | Disaster management, including relief, rehabilitation and reconstruction activities (CoVID-19) | ₹2.50                        | ₹0.35  |
| Surat Raktadan Kendra and Research Centre | Preventive health-care measure                                                                 | ₹0.65                        | ₹0.30  |
| Vanvasi Vikas Mandal, Waghai              | Promoting education in tribal and rural area for gilrs                                         | ₹0.70                        | ₹0.00  |
| Mahala Education Charitable Trust         | Promoting Education                                                                            | ₹5.80                        | ₹0.45  |
| Bardoli Pradesh Kelvani Mandal            | Promoting Education                                                                            | ₹0.00                        | ₹0.75  |
| Manav Seva Trust                          | Facilities to old age homes – senior citizens                                                  | ₹0.02                        | ₹0.02  |
| Nature Club                               | Animal Welfare                                                                                 | ₹0.50                        | ₹0.00  |
| Sparsh Samvedana Foundation               | Promoting Education                                                                            | ₹1.00                        | ₹0.00  |
| Seva Foundation                           | Providing Healthcare                                                                           | ₹0.00                        | ₹4.95  |
| Stranctuary Foundation                    | For Animal Welfare                                                                             | ₹0.00                        | ₹0.10  |
| Shree Ramnath Ghela Smasan                | For reducing in-equalities in socially and economically backward groups                        | ₹0.00                        | ₹1.10  |
| Bhumi Trust                               |                                                                                                |                              |        |
| Chimney Charitable Trust                  | For Medical Support                                                                            | ₹0.00                        | ₹0.73  |
| Total                                     |                                                                                                | ₹28.63                       | ₹27.96 |

51. Events subsequent to March 31, 2025

|                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                       |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| None                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                       |
| For Birju S. Shah & Associates, Chartered Accountants<br>ICAI Firm Reg. No.: 131554W<br>Birju S. Shah, Proprietor<br>Membership No.: 107086   UDIN: 25107086BMLCCG3579<br>Place: Surat   Date: May 2, 2025 | For and on behalf of Board of Directors of<br>Aether Industries Limited (CIN: L24100GJ2013PLC073434)<br>Ashwin Desai, Managing Director — DIN: 00038386<br>Rohan Desai, Whole Time Director — DIN: 00038379<br>Faiz Nagariya, Chief Financial Officer — PAN: ADBPN8514G<br>Chitrarth Parghi, Company Secretary — Mem. No.: F12563<br>Place: Surat   Date: May 2, 2025 |

52. Ratios as per the Schedule III requirements

(a) Current Ratio = Current Assets divided by Current Liabilities

| Particulars (₹ in MM)       | As at March 31, |            |
|-----------------------------|-----------------|------------|
|                             | 2025            | 2024       |
| Current Assets              | ₹11,381.74      | ₹13,026.52 |
| Current Liabilities         | ₹3,507.03       | ₹2,890.87  |
| Current Ratio (Times)       | 3.25            | 4.51       |
| % Change from previous year | -27.98%         |            |

(b) Debt Equity ratio = Total debt divided by Total equity where total debt refers to sum of current & non current borrowings

| Particulars (₹ in MM)                | As at March 31, |            |
|--------------------------------------|-----------------|------------|
|                                      | 2025            | 2024       |
| Total Debt                           | ₹1,825.29       | ₹1,686.18  |
| Total Equity                         | ₹22,258.86      | ₹20,633.24 |
| Debt Equity Ratio (Times)            | 0.08            | 0.08       |
| % Change from previous period / year | 0.34%           |            |

(c) Debt Service Coverage Ratio (DSCR) = Earnings available for debt services divided by Total interest and principal repayments

| Particulars (₹ in MM)                                 | As at March 31, |           |
|-------------------------------------------------------|-----------------|-----------|
|                                                       | 2025            | 2024      |
| Profit for the year                                   | ₹1,584.18       | ₹824.90   |
| Add: Non cash operating expenses and finance cost     | ₹0.00           | ₹0.00     |
| Depreciation and amortisation expense                 | ₹450.14         | ₹396.65   |
| Finance costs                                         | ₹129.33         | ₹85.17    |
| Earnings available for debt services                  | ₹2,163.65       | ₹1,306.72 |
| Interest cost on borrowings                           | ₹111.86         | ₹62.98    |
| Principal repayments (including certain prepayments ) | ₹0.00           | ₹1.06     |
| Total Interest and principal repayments               | ₹111.86         | ₹64.04    |
| Debt Service Coverage Ratio (Times)                   | 19.34           | 20.40     |
| % Change from previous period / year                  | -5.20%          |           |



Annexure V – Notes forming part of Financial Statements

52. Ratios as per the Schedule III requirements

(d) Return on Equity Ratio / Return on Investment Ratio = Net profit after tax divided by Equity

| Particulars (₹ in MM)       | As at March 31, |            |
|-----------------------------|-----------------|------------|
|                             | 2025            | 2024       |
| Profit for the year         | ₹1,584.18       | ₹824.90    |
| Total Equity                | ₹22,258.86      | ₹20,633.24 |
| Return on Equity Ratio (%)  | 7.12%           | 4.00%      |
| % Change from previous year | 78.02%          |            |

(e) Inventory Turnover Ratio = Closing Inventory divided by Cost of Material Consumed plus Changes in Inventory in to 365/366

| Particulars (₹ in MM)           | As at March 31, |           |
|---------------------------------|-----------------|-----------|
|                                 | 2025            | 2024      |
| Credit Sales                    | ₹8,386.90       | ₹5,981.72 |
| Closing Inventory               | ₹3,968.66       | ₹3,434.71 |
| Inventory Turnover Ratio (Days) | 173             | 210       |
| % Change from previous year     | -17.59%         |           |

(f) Trade receivables turnover ratio = Credit Sales divided by Closing Trade Receivables in to 365/366

| Particulars (₹ in MM)          | As at March 31, |           |
|--------------------------------|-----------------|-----------|
|                                | 2025            | 2024      |
| Credit Sales                   | ₹8,386.90       | ₹5,981.72 |
| Closing Trade Receivables      | ₹2,886.20       | ₹2,328.76 |
| Trade Receivables Ratio (Days) | 126             | 142       |
| % Change from previous year    | -11.60%         |           |

(g) Trade payables turnover ratio = Closing trade payables divided by Cost of Materials Consumed in to 365/366

| Particulars (₹ in MM)                | As at March 31, |           |
|--------------------------------------|-----------------|-----------|
|                                      | 2025            | 2024      |
| Cost of materials consumed           | ₹4,465.84       | ₹3,209.17 |
| Closing Trade Payables               | ₹1,275.68       | ₹1,035.34 |
| Trade Payables Turnover Ratio (Days) | 104             | 118       |
| % Change from previous year          | -11.46%         |           |

52. Ratios as per the Schedule III requirements

(h) Net capital Turnover Ratio =Revenue from Operations divided by Net Working capital whereas net working capital= current assets - current liabilities

| Particulars (₹ in MM)              | As at March 31, |            |
|------------------------------------|-----------------|------------|
|                                    | 2025            | 2024       |
| Revenue from operations            | ₹8,386.90       | ₹5,981.72  |
| Net Working Capital                | ₹7,874.71       | ₹10,135.66 |
| Net Capital Turnover Ratio (Times) | 1.07            | 0.59       |
| % Change from previous year        | 80.46%          |            |

(i) Net profit ratio = Net profit after tax divided by Revenue from operations

| Particulars (₹ in MM)       | As at March 31, |           |
|-----------------------------|-----------------|-----------|
|                             | 2025            | 2024      |
| Profit for the year         | ₹1,584.18       | ₹824.90   |
| Revenue from operations     | ₹8,386.90       | ₹5,981.72 |
| Ratio (Times)               | 0.19            | 0.14      |
| % Change from previous year | 36.97%          |           |

(j) Return on Capital employed- pre cash (ROCE) =Earnings before interest and taxes(EBIT) divided by Capital Employed- pre cash

| Particulars (₹ in MM)                                  | As at March 31, |            |
|--------------------------------------------------------|-----------------|------------|
|                                                        | 2025            | 2024       |
| Profit/(Loss) before tax* (A)                          | ₹2,129.84       | ₹1,095.12  |
| Finance Costs* (B)                                     | ₹129.33         | ₹85.17     |
| Other income* (C)                                      | ₹416.42         | ₹392.07    |
| EBIT (D) = (A)+(B)-(C)                                 | ₹1,842.75       | ₹788.22    |
| Capital Employed- Pre Cash (K)=(E)+(F)+(G)-(H)-(I)-(J) | ₹21,686.40      | ₹16,762.88 |
| Total Equity (E)                                       | ₹22,258.86      | ₹20,633.24 |
| Non-Current Borrowings (F)                             | ₹0.00           | ₹0.00      |
| Current Borrowings (G)                                 | ₹1,825.29       | ₹1,686.18  |
| Current Investments (H)                                | ₹0.00           | ₹0.00      |
| Cash and Cash equivalents (I)                          | ₹173.71         | ₹53.66     |
| Bank balances other than cash and cash equivalents (J) | ₹2,224.04       | ₹5,502.88  |
| Debt Service Coverage Ratio (Times)                    | 8.50%           | 4.70%      |
| % Change from previous year                            | 80.71%          |            |



# Annexure V – Notes forming part of Financial Statements

Note: Improvement in most of the ratios is due to the increase in business and margins, which were impacted in FY 23-24 due to the fire accident. Moreover there has also been changes in the business models, wherein the revenues have increased in CEM & CRAMS along with increase in LSM.

## 53. Ratios as per the Schedule III requirements

### a. Registration of charges or satisfaction with Registrar of Companies (ROC):

The Company had registered various charges with the ROC within the statutory time period. During the financial year, the Company has repaid all its Term Loans and hence the collaterals have been released from the bank and accordingly the charges registered with ROC, have been satisfied.

### b. Details of Benami Property held:

The Company does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, hence no proceedings initiated or pending against the Company under the said Act and Rules.

### c. Loans and advances granted to specified person

Except as stated in the notes to accounts and financial statements, there are no other loans or advances granted to specified persons namely the promoters, directors, KMPs and related parties.

### d. Utilisation of borrowed funds, share premium and other funds:

The Company has not received any funds from any person or entity with the understanding that the Company would directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiary) or provided any guarantee or security or the like on behalf of the ultimate beneficiary,.

The Company has not advanced or loaned or invested to any other person(s), including foreign entities (Intermediaries) with the understanding that the intermediary shall:

i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

### e. Compliance with the number of layers of companies:

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017

### f. Details of Crypto Currency or Virtual Currency:

The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

### g. Undisclosed Income:

There is no transaction, which has not been recorded in the books of accounts, that has been surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961.

### h. Relationship with struck off companies

The Company has not have any transactions with companies, which are struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.



# Notice of the Annual General Meeting

Notice is hereby given that the 13th Annual General Meeting (Meeting No. AGM-2025/26) of the Aether Industries Limited will be held on Friday, September 12, 2025, through Video Conference / Other Audio-Video Means at 16:00 Hrs. (IST) to transact the following businesses:

### Ordinary Businesses

Following Business transactions be considered as ‘Ordinary Business’

- (a) To receive, consider and adopt the audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2025, and the Report of the Board and the Auditors thereon.
- (b) To appoint a Director in place of Ms. Purnima Ashwin Desai (DIN: 00038399), who retires by rotation and being eligible, offers himself for re-appointment as Whole-time Director.
- (c) To appoint a Director in place of Mr. Kamalvijay Ramchandra Tulsian (DIN: 00190840), who retires by rotation and being eligible, offers herself for re-appointment as Non-Executive Non-Independent Director.
- (d) To appoint M/s. Suresh I. Surana & Associates (Firm Reg. No.: 121749W) as Statutory Auditor of the Company.  
To consider and, if thought fit, to pass the following Resolution as an ‘Ordinary Resolution’  
  
“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules framed thereunder as amended from time to time (including any statutory modification(s) or re-

enactment thereof for the time being in force) and based on the recommendation of Audit Committee and the Board of Directors, M/s. Suresh I. Surana & Associates, Chartered Accountants (Firm Registration No. 121749W) be and are hereby appointed as the Statutory Auditors of the Company, to hold office for a term of 5 (five) consecutive years from the conclusion of this Annual General Meeting, from FY 2025-26 till FY 2029-30, on such remuneration as may be mutually agreed upon between the Board of Directors and the Statutory Auditors.”

“RESOLVED FURTHER THAT the Board or any duly constituted Committee of the Board, be and is hereby authorised to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the foregoing Resolution.”

### Special Businesses

Following Business transactions be considered as ‘Special Business’

- (e) To ratify the remuneration payable to the Cost Auditor for the FY 2025-26  
To consider and, if thought fit, to pass the following Resolution as an ‘Ordinary Resolution’  
  
“RESOLVED THAT pursuant to the Section 148(3) of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the annual remuneration of ₹ 1,10,000 (Rupees One Lakh Ten Thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses for the Financial Year 2025-26, as recommended by the Audit Committee and approved by the Board of Directors of the Company in their Meeting held on July 24, 2025, to be paid to M/s. PAAA & Associates,

Cost and Accountants, (Firm Registration No.: 006283) for conducting cost audit of the applicable products be and is hereby ratified and confirmed.”

- (f) To appoint M/s. Dhirren R. Dave & Company, Company Secretaries, as Secretarial Auditors  
To consider and, if thought fit, to pass the following Resolution as an ‘Ordinary Resolution’

“RESOLVED THAT pursuant to the provisions of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with circulars issued by Securities and Exchange Board of India from time to time (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and recommendation of the Board of Directors, M/s. Dhirren R. Dave & Company, Company Secretaries (Firm Registration no. P1996GJ002900), having confirmed their eligibility for appointment as the Secretarial Auditors of the Company, be and are hereby appointed as Secretarial Auditors of the Company to hold office for a term of 5 (five) consecutive financial years with effect from FY 2026 to FY 2030, at such remuneration as may be determined by the Board of Directors of the Company.”

“RESOLVED FURTHER THAT the Board of Directors or a duly constituted Committee of the Board be and is hereby authorised to do all such acts, deeds and things and take all such steps as may be required to give effect to the aforesaid Resolution.”

- (g) To approve the continuous appointment of Mr. Kamalvijay Ramchandra Tulsian, Chairman Non-Executive Director, upon attaining the age of 75 years  
To consider and, if thought fit, to pass the following

Resolution as a ‘Special Resolution’

“RESOLVED THAT pursuant to the Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the consent of the members of the Company be and is hereby accorded to the continue the tenure of Mr. Kamalvijay Ramchandra Tulsian (DIN: 00190840) as the Chairman Non-Executive Director of the Company upon attaining the age of 75 (seventy five) years in the upcoming calendar year.”

“RESOLVED FURTHER THAT the said consent shall not have any impact on the prevailing terms of his appointment for the remaining tenure.”

- (h) To increase the borrowing limits of the Company  
To consider and, if thought fit, to pass the following Resolution as a ‘Special Resolution’

“RESOLVED THAT in supersession of the Special Resolution passed by the members of the Company in the Annual General Meeting of the Company held on September 18, 2021 and pursuant to the provisions of section 180(1)(c) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013(including any statutory modification(s) or re-enactment thereof, for the time being in force) and all other enabling provisions if any, and the Articles of Association of the Company, the consent of the Company be and is hereby accorded to the Board of Directors (“the Board”) to borrow any sum(s) of money, from time to time, including by way of issuance of debentures/bonds (including FCCBs), at their discretion from bank(s), financial institution(s), any other lending institution(s) or any other person(s) on such security and on such terms and conditions as may be considered

# Notice of the Annual General Meeting

suitable by the Board of Directors up to a limit not exceeding an aggregate of ₹1,000 Crore (Rupees One Thousand Crore Only), notwithstanding that the money to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business), may exceed, at any time, the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.”

“RESOLVED FURTHER THAT the Executive Directors of the Company, the Chief Financial Officer and the Company Secretary of the Company be and are hereby solemnly or jointly, as and when required, authorised to do all such acts, deeds and things and take all such steps as may be required to give effect to the aforesaid Resolution.”

For Aether Industries Limited  
CS Chitrarth Parghi  
Company Secretary

August 21, 2025

Registered Office:  
Aether Industries Limited  
CIN: L24100GJ2013PLC073434

Plot No. 8203, GIDC Sachin,  
Surat-394230, GJ.

Surat | August 21 2025

## Notes

1. In view of the continuing CoVID-19 pandemic, the Ministry of Corporate Affairs, vide its General Circular Nos. 14/2020, 17/2020, 22/2020, 33/2020, 39/2020, 10/2021, 20/2021, 21/2021, 02/2022, 10/2022, 09/2023 and 09/2024 dated 8th April, 2020, 13th April, 2020, 15th June, 2020, 28th September, 2020, 31st December, 2020, 23rd June, 2021, 8th December, 2021, 14th December, 2021, 5th May, 2022, 28th December, 2022, September 25, 2023 and September 19, 2024 respectively and Securities and Exchange Board of India, vide its Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, read with Circular number SEBI/HO/DDHS/P/CIR/2022/0063 dated 13th May, 2022 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January, 2023, along with SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024, allowed the Companies to conduct the AGM through Video Conferencing (VC) / Other Audio Visual Means (OAVM) whose AGMs are due in year 2025. The procedure for participating in the meeting through VC/OAVM is explained in the notes below and is also available on the website of the Company at [www.aether.co.in](http://www.aether.co.in) and at the website of Stock Exchanges viz. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com). For the purpose of proceedings, the AGM will be deemed to be convened at Registered Office of the Company at Plot No. 8203, GIDC Sachin, Surat-394230, GJ. and Members are requested to join the Meeting through their places through VC mode.
2. Since the Annual General Meeting (AGM) is being held through Video Conferencing (VC) / Other Audio Visual Means (OAVM), physical attendance of the members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence, the Proxy Form, Attendance Slip and route map of the AGM venue are not annexed to this Notice. However, a member may appoint a representative as per applicable provisions of the Companies Act, 2013 to attend and / or vote.
3. The Financial Statements (including the Report of Board of Directors, Auditor’s Report or other documents required to be attached herewith), including the Notice of the Annual General Meeting are being sent only in electronic mode to Members whose e-mail address is registered with the Company / Registrar & Share Transfer Agent or Depository Participants (DP). Printed copies of the Annual Report (including the Notice) are not being sent to members in view of the circular.
4. Members may note that the Notice of the Annual General Meeting and the Annual Report for the Fiscal Year 2024-25 will also be available on the website of the Company at [www.aether.co.in](http://www.aether.co.in), which can be downloaded.
5. The electronic copies of the documents that are referred to this Notice but not attached to it will be made available for inspection. For inspection, members can send an e-mail on [compliance@aether.co.in](mailto:compliance@aether.co.in) with their Depository Participant and Client ID or Folio number. Electronic copies of the Register of Directors and Key Managerial Personnel and their shareholding maintained under Companies Act, 2013 will be available for inspection by sending a request on the above given e-mail.
6. The voting rights of the Equity Shareholders shall be



Notice of the Annual General Meeting

- in the same proportion to the paid-up share capital of the Company.
7. The members desiring any information relating to the accounts or having any questions are requested to write to the Company on [compliance@aether.co.in](mailto:compliance@aether.co.in) at least seven days before the date of the Annual General Meeting (AGM) so as to enable the Management to keep the responses ready and expeditiously provide them at the AGM, as required.
8. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting’s agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
9. The Members can join the AGM in the VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available to at-least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial

Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

10. The attendance of the Members attending the AGM through VC / OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013 and the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC / OAVM and cast their votes through e-voting.

E-voting instructions for Shareholders

The voting period begins on September 9, 2025 from 09:00 Hrs. and ends on September 11, 2025 at 17:00 Hrs. During this period Shareholders of the Company, holding shares as on the cut-off date of September 5, 2025 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

Access through Depositories e-Voting system in case of individual shareholders holding shares in demat mode

In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

| Type of Shareholder                                                           | Log-in method                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|-------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Shareholders holding securities in Demat mode with CDSL Depository | <p>(a) Users who have opted for CDSL Myeasi facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to the e-voting are <a href="https://web.cdslindia.com/myeasinew/home/login">https://web.cdslindia.com/myeasinew/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</p> <p>(b) After successful login, the Myeasi user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual Meeting &amp; voting during the Meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL, so that the user can visit the e-Voting service providers’ website directly.</p> <p>(c) If the user is not registered for Myeasi, option to register is</p> |

Individual Shareholders holding securities in Demat mode with CDSL Depository available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>

(d) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN from a e-Voting link available on [www.cdslindia.com](http://www.cdslindia.com) home page.

(e) The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the eVoting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.

| Type of Shareholder                                                           | Log-in method                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Shareholders holding securities in Demat mode with NSDL Depository | <p>(a) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e Voting services. Click on “Access to e Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider</p> |



# Notice of the Annual General Meeting

| Type of Shareholder                                                                                                                                                                                                                                                                                                                                           | Log-in method                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Type of Shareholder                                                           | Log-in method                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Login type                                                                                                                                                                                                                                                                                                                                                                                                                         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| Individual Shareholders holding securities in Demat mode with NSDL Depository                                                                                                                                                                                                                                                                                 | <p>(a) name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e Voting period or joining virtual meeting &amp; voting during the Meeting.</p> <p>(b) If the user is not registered for IDeAS e Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS “Portal or click at: <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>(c) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your 16 (sixteen) digit demat account number hold with NSDL), Password / OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the</p> | Individual Shareholders holding securities in Demat mode with NSDL Depository | <p>remote e-Voting period or joining virtual Meeting &amp; voting during the Meeting of all e-Voting Service Providers.</p> <p>(a) You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL / CDSL for e-Voting facility.</p> <p>(b) After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual Meeting &amp; voting during the Meeting.</p> | Individual Shareholders holding securities in Demat mode with CDSL                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <p>CDSL Helpdesk:<br/>E-mail: <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a><br/>Toll-free No.: 1800 22 55 33</p> <p>NSDL Helpdesk:<br/>E-mail: <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a><br/>Toll-free No.: 1800 1020 990 and 1800 22 44 30</p> | <p>6. If you are a first-time user follow the steps given below:</p> <hr/> <p><b>For Physical shareholders and other than individual shareholders holding shares in Demat</b></p> <p>PAN Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company / RTA or contact Company / RTA.</p> <p>7. After entering these details appropriately, click on “SUBMIT” tab.</p> <p>8. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.</p> <p>9. For shareholders holding shares in physical form, the details can be used only for e-voting on the Resolutions contained in this Notice.</p> |
| <p><b>Important Note:</b></p> <p>Members who are unable to retrieve User ID / Password are advised to use Forget User ID and Forget Password option available at above mentioned websites.</p> <p>Help-desk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL:</p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <p><b>Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode</b></p> <p>Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.</p> <ol style="list-style-type: none"><li>1. The shareholders should log on to the e-voting website <a href="https://web.cdslindia.com/myeasinew/home/login">https://web.cdslindia.com/myeasinew/home/login</a>.</li><li>2. Click on “Shareholders” module.</li><li>3. Now enter your User ID For CDSL:<ol style="list-style-type: none"><li>a. 16 digits beneficiary ID,</li><li>b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,</li><li>c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company</li></ol></li><li>4. Next enter the Image Verification as displayed and Click on Login</li><li>5. If you are holding shares in demat form and had logged on to <a href="https://www.evotingindia.com">www.evotingindia.com</a> and voted on an earlier e-voting of any company, then your existing password is to be used</li></ol> |                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |



# Notice of the Annual General Meeting

- 10. Click on the EVSN for the relevant ‘Aether Industries Limited’ on which you choose to vote.
- 11. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that your assent to the Resolution and option NO implies that you dissent to the Resolution.
- 12. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- 13. After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- 14. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- 15. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- 16. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- 17. Additional Facility for Non-Individual Shareholders and Custodians (For Remote Voting only):
  - a. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - b. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - c. After receiving the login details a Compliance User should be created using the admin login

and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- d. The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- e. It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

### Instructions for Shareholders attending the AGM through VC/OAVM & e-voting during Meeting are as under

- 1. The procedure for attending Meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
- 2. The link for VC/OAVM to attend Meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
- 3. Shareholders who have voted through Remote e-Voting will be eligible to attend the Meeting. However, they will not be eligible to vote at the AGM.
- 4. Shareholders are encouraged to join the Meeting through Laptops / Tablets for better experience. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- 5. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

- 6. Shareholders who would like to express their views / ask questions during the Meeting may register themselves as a speaker by sending their request in advance at least seven days prior to Meeting mentioning their name, demat account number / Folio number, Email id, Mobile number at [compliance@aether.co.in](mailto:compliance@aether.co.in). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance seven days prior to Meeting mentioning their Name, Demat account number / Folio number, Email id, Mobile number at [compliance@aether.co.in](mailto:compliance@aether.co.in). These queries will be replied to by the company suitably by email.
- 7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views / ask questions during the Meeting.
- 8. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- 9. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC / OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-Voting during the Meeting is available only to the shareholders attending the Meeting.

### Process for those Shareholders whose Email / Mobile No. are not registered with the Company / Depositories

- 1. For Physical shareholders: Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share

- certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company / RTA email id. At current instance, there is no physical shareholder.
- 2. For Demat shareholders: Please update your Email id & Mobile no. with your respective Depository Participant (DP).
- 3. For Individual Demat shareholders: Please update your Email id & Mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual Meetings through Depository.
- 4. If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai – 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.

- 5. M/s. Dhirren R. Dave & Company, Company Secretaries has been appointed as the Scrutiniser to scrutinise the remote e-voting and the voting process at the AGM in a fair and transparent manner.
- 6. The Scrutiniser will within a period not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutiniser’s Report of the votes cast in favour or against, if any, and



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- forward it to the Chairman of the Company.
7. The results will be declared at or after the AGM. The results declared along with the Scrutiniser’s Report will be placed at: <https://aether.co.in/investor-relations/>, the website of the Company and on [www.evotingindia.com](http://www.evotingindia.com) the website of CDSL within two days of passing of the Resolutions at the AGM and also will be communicated to the BSE Ltd. and the National Stock Exchange of India Ltd.
8. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.

Additional information pursuant to the SS-2 on General Meetings and Regulation 33(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

None of the below Directors are debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI) or any other Authority.

|                                      |                                                   |                                                                                                                                  |
|--------------------------------------|---------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|
| Particulars                          | Ms. Purnima Ashwin Desai                          | Mr. Kamalvijay Ramchandra Tulsian                                                                                                |
| Age                                  | 71 Years                                          | 74 Years                                                                                                                         |
| Date of Birth                        | January 24, 1951                                  | February 17, 1951                                                                                                                |
| Date of first appointment            | January 13, 2013 (Since inception)                | May 21, 2018                                                                                                                     |
| Director Identification Number (DIN) | 00038399                                          | 00190840                                                                                                                         |
| Qualification                        | Bachelor of Commerce from the University of Delhi | Diploma in Electrical Engineering and a Diploma in Mechanical Engineering, both from the Maharaja Sayajirao University of Baroda |
| Brief Resume and Experience          | Purnima Ashwin Desai is a Promoter and Whole Time | Kamalvijay Ramchandra Tulsian is the Chairperson and                                                                             |

|                                                        |                                                                                                                                                                                                             |                                                                                                                    |
|--------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|
| Particulars                                            | Ms. Purnima Ashwin Desai                                                                                                                                                                                    | Mr. Kamalvijay Ramchandra Tulsian                                                                                  |
| Brief Resume and Experience                            | Director of our Company. With multiple decades of experience in the speciality chemical industry, she leads the overall accounting and finance operations of our Company.                                   | Non-Executive Director of our Company. He has multiple decades of experience in the textile and chemical industry. |
| Experience in specific functional areas                | Commercial, Financial, Management, Administration                                                                                                                                                           | Management, Administration                                                                                         |
| Disclosure of relationships between Directors inter-se | Spouse of Mr. Ashwin Jayantilal Desai<br><br>Mother of Mr. Rohan Ashwin Desai and Dr. Aman Ashwin Desai, Whole Time Directors<br><br>Mother-in-law of Ms. Ishita Surendra Manjrekar, Non-Executive Director | Father-in-law of Mr. Rohan Ashwin Jayantilal Desai, Whole-time Director                                            |



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|                                            |                              |                                         |
|--------------------------------------------|------------------------------|-----------------------------------------|
| Particulars                                | Ms. Purnima<br>Ashwin Desai  | Mr. Kamalvijay<br>Ramchandra<br>Tulsian |
| Terms of<br>appointment                    | Remains<br>unchanged         | Remains<br>unchanged                    |
| Number of<br>Board<br>Meetings<br>attended | 4 out of 4 Board<br>Meetings | 3 out of 4 Board<br>Meetings            |

## Explanatory Statement

Explanatory Statements under Section 102 of the Companies Act, 2013 for Item No. (d) to (h) being Special Businesses to be transacted are as below:

### Item No. (d)

Since the current Statutory Auditor, M/s. Birjju S. Shah & Associates, Chartered Accountants, Surat will be concluding their term post this Annual General Meeting.

The Board of Directors of the Company, in their Meeting, basis the recommendation received from the Audit Committee of the Company, in their Meeting held on July 24, 2025, considering the experience and expertise and based on the recommendation of the Audit Committee, has proposed to the Members of the Company, the appointment of M/s. Suresh I. Surana & Associates, Chartered Accountants, (Firm Registration No. 121749W), as Statutory Auditors of the Company in place of M/s. Birjju S. Shah & Associates. The proposed appointment is for a term of 5 (five) consecutive years from FY 2025-26 till FY 2029-30, from the conclusion of this Annual General Meeting on payment of such remuneration as may be mutually agreed upon between the Board of Directors and the Statutory Auditors, from time to time.

Pursuant to Section 139 of the Companies Act, 2013 (the Act) and the Rules framed thereunder, the Company has received written consent from M/s. Suresh I. Surana & Associates and a certificate that they satisfy the criteria provided under Section 141 of the Act and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and Rules framed thereunder. As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, M/s. Suresh I. Surana & Associates, has confirmed that they hold a valid certificate issued by the Peer Review Board of ICAI.

None of the Directors or other Key Managerial Personnel and their relatives, are concerned or interested (financially or otherwise) in this Resolution. The Board recommends the Ordinary Resolution set out at Item No. 6 for the approval of Members.

### Item No. (e)

Pursuant to the provisions of Section 148(3) of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration of Cost Auditor of ₹ 1,10,000 (Rupees One Lakh Ten thousand only) for the Fiscal Year 2025-26, as recommended by the Audit Committee and approved by the Board in their Meeting held on July 24, 2025, is proposed before the Members for ratification. The Auditor had certified that they are eligible for appointment as Cost Auditors in terms of Section 141 read with Section 148 of the Companies Act, 2013.

On the recommendation of the Audit Committee, the Board considered and approved the appointment of the Cost Auditors, M/s. PAAA & Associates, Cost and Management Accountants, (Firm Registration No.: 00198720), for conducting the cost audit of the applicable products at a remuneration of ₹ 1,10,000 (Rupees One Lakh Ten thousand only) plus applicable

taxes and reimbursement of out-of-pocket expenses for the Fiscal Year 2025-26.

The Board seeks ratification of the aforesaid remuneration by the Members by way of passing an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said Resolution.

### Item No. (f)

Pursuant to the provisions of Regulation 24A of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with circulars issued by SEBI from time to time, the Company can appoint a Secretarial Audit firm as Secretarial Auditors for not more than two terms of five consecutive years, with the approval of the shareholders in its Annual General Meeting.

The Board of Directors in its meeting held on July 24, 2025, had recommended the appointment of M/s Dhirren R. Dave & Company Secretaries, (Firm Registration No.: P1996GJ002900) as the Secretarial Auditors of the Company (“Secretarial Auditors”), for a period of five consecutive financial years, to hold office from FY 2025-26 to FY 2029-30. The proposed remuneration for the current year is ₹ 22,500 (Rupees Twenty-two Thousand Five Hundred only) per month plus applicable taxes, out-of-pocket expenses and other incidental expenses in connection with the Secretarial Audit. M/s. Dhirren R. Dave & Co., is a firm of Practising Company Secretaries from SuratThey serve and provide consultancy for various secretarial matters, corporate governance, corporate actions, litigation, etc. since more than last two decades.

### Item No. (g)

Mr. Kamalvijay Ramchandra Tulsian, Chairman Non-Executive Director of the Company, who will reach to the age of 75 (Seventy-five) years, on upcoming February 17, 2026. He is a phenomenal and dynamic personality, contributing exceptionally well to the Board and the Company at large with his distinct wisdom and thorough association and managerial skills. His knowledge and powerful administrative skills have resulted in the best benefit of the Company. His direction to the Board is also commendable.

Considering his outstanding contribution, the Board of the Company at the recommendation received from the Nomination & Remuneration Committee of the Company, propose that he continue to be on the Board of the Company.

Except the above, no other Directors, Key Managerial Personnel, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution.

### Item No. (h)

As per the provisions of Section 180(1)(c) of the Companies Act, 2013, the Board of Directors of the Company cannot, except with the permission of the Shareholders in General Meeting by passing a Special Resolution, borrow monies in excess of the aggregate of the paid-up share capital, free reserves and securities premium of the Company.

The Company is actively pursuing and exploring various project development opportunities, leading to a robust project pipeline. Moreover, on-going expansions are also highly capex oriented.

In order to pursue opportunities that add value through both organic and inorganic means, it is crucial for the



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company to have access to specific funding options within a specified timeframe. This will enable the company to pursue, finance, and complete transactions in the best interest of its stakeholders. Therefore, it is essential to obtain board and shareholder approval for increasing the borrowing limits from ₹ 500 Crore to ₹ 1,000 Crore under section 180(1)(c).

It would be in the interest of the Company to enhance the borrowing limits for the Board and authorise the Board of Directors to borrow monies which may exceed at any time the aggregate of the paid-up capital of the Company and its free reserves and securities premium but that shall not to exceed ₹ 1,000 Crores (Rupees Ten Thousand Crore Only).

The borrowings of the Company are, in general, required to be secured by suitable mortgage or charge on all or any of the movable and/ or immovable properties of the Company in such form, manner and ranking as may be determined by the Board of Directors of the Company, from time to time, in consultation with the lender(s).

The Board of Directors recommends the special resolution as set out in here for approval.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Resolution.

For Aether Industries Limited  
CS Chitrarth Parghi  
Company Secretary

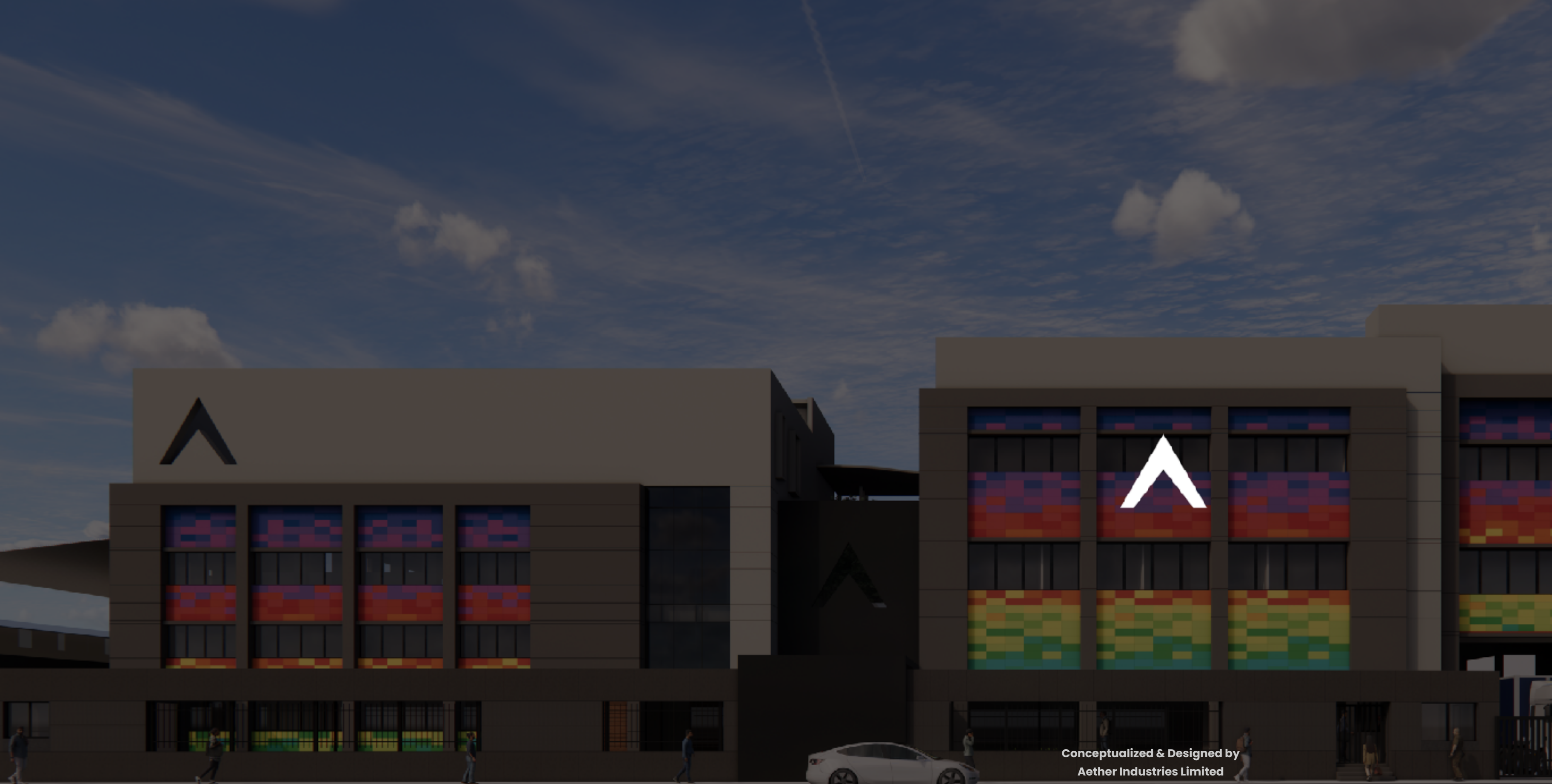
August 21, 2025

Registered Office:  
Aether Industries Limited  
CIN: L24100GJ2013PLC073434

Plot No. 8203, GIDC Sachin,  
Surat-394230, GJ.

Surat | August 21 2025





**Conceptualized & Designed by  
Aether Industries Limited**

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