

October 11, 2022

To,

National Stock Exchange of India Limited

Exchange Plaza,
Bandra Kurla Complex, Bandra (E),
Mumbai-400051, MH.

Symbol: **AETHER**

Dear Madam / Sir,

Subject: Pre-intimation for inauguration of Newly Expanded R&D Laboratory

In accordance with Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, we had announced about captioned matter on digital portal of esteemed NSE vide our communication Ref. No. AIL/SE/57/2022-23 on 06.10.2022.

In this reference, a clarification was sought by esteemed NSE vide e-mail dated October 10, 2022. Point by point clarification are given as below:

1. Existing capacity:
When we started the new expansion work of our R&D and Pilot Plant, that time we had 18 Fume Hoods and we were able to conduct 30 to 36 reactions per day. In the Pilot Plant we had 40 Reactors before the new expansion started.
2. Existing capacity utilization:
As the R&D was used for our own products development and also for CRAMS, it was utilised approximately 90%.
3. Proposed capacity addition:
We have added 37 more Fume Hoods to our R&D and 60 reactors in the Pilot Plant. This addition in capacity will now allow us to conduct 100 to 110 reactions per day. Hence, now we have 55 Fume Hoods in R&D and 100 Reactors in Pilot Plant.
4. Period within which the proposed capacity is to be added:
We started the new expansion work last year in May 2021 and hence, it took us approximately a year and 4 months to complete this triple expansion of our R&D and Pilot Plants.
5. Investment required:
We have invited approximately Rs. 3,300 million in this new expansion.

6. Mode of financing:
Through internal accruals.

7. Rationale:

The centre will help serve the growing demand in the CRAMS business segments and underpin efforts to achieve improved efficiency for existing products. In addition to that, Aether Industries' latest R&D centre will support innovation for the company's continually-growing internal product pipeline to support its Large Scale Manufacturing business model. The new R&D centre is also accompanied by the world's largest pilot plant with more than 100 reactors and plenty of other necessary downstream equipment. and due to increase in demand for our own products and increase in the business of CRAMS, there was a need to increase. Another rationale is to increase employment opportunities. The employee count has also grown at the R&D centre, increasing from 164 employees in March 2022 to 193 as of 30 September, 2022. The company expects to employ at least 225 individuals at the centre by the end of FY23, creating jobs in south Gujarat for talented individuals in the chemical and technology industries as well as a variety of other industries. This will also lead to more manufacturing facilities (CAPEX), which is also planned by the Company, leading to even more employment generation.

We trust that the above clarification adheres to your query / concern, let us know if further details are needed.

We request you to kindly take the information on your records.

Thank you.

For Aether Industries Limited



Chitrarth Rajan Parghi
Company Secretary & Compliance Officer



**CHITRARTH
RAJAN
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