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aether
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PROSPECTUS
Dated May 27, 2022
(Please read Section 26 of the Companies Act, 2013)
100% Book Built Issue

AETHER INDUSTRIES LIMITED

CORPORATE IDENTITY NUMBER: U24100GJ2013PLC073434

REGISTERED OFFICE AND CORPORATE OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
Plot No. 8203, GIDC, Sachin, Surat- 394230, Gujarat	Chitrarth Rajan Parghi *Company Secretary and Compliance Officer*	**Email:** compliance@aether.co.in **Telephone:** +91 261 660 3360	www.aether.co.in

PROMOTERS OF OUR COMPANY: ASHWIN JAYANTILAL DESAI, PURNIMA ASHWIN DESAI, ROHAN ASHWIN DESAI, DR. AMAN ASHVIN DESAI, AJD FAMILY TRUST, PAD FAMILY TRUST, RAD FAMILY TRUST, AAD FAMILY TRUST AND AAD BUSINESS TRUST

DETAILS OF OFFER

TYPE	OFS SIZE	FRESH ISSUE	TOTAL ISSUE SIZE	ELIGIBILITY AND SHARE RESERVATION
Fresh Issue and Offer for Sale	2,820,000# Equity Shares aggregating to ₹ 1,810.44 million#	₹ 6,270.00 million* *The size of the Fresh Issue of Equity Shares aggregating to ₹ 7,570.00 million has been reduced to ₹ 6,270.00 million pursuant to the Pre-IPO Placement.	₹ 8,080.44 million#	The Offer was made pursuant to Regulation 6(1) of the SEBI ICDR Regulations. For details in relation to share reservation among Qualified Institutional Buyers, Non-Institutional Investors, Retail Individual Investors and Employees, see "*Offer Structure*" on page 345.

 # Subject to finalization of the Basis of Allotment

DETAILS OF OFFER FOR SALE BY THE SELLING SHAREHOLDER AND THE WEIGHTED AVERAGE COST OF ACQUISITION

NAME OF SELLING SHAREHOLDER	TYPE	NUMBER OF EQUITY SHARES OFFERED/ AMOUNT	WEIGHTED AVERAGE COST OF ACQUISITION ON FULLY DILUTED BASIS* (IN ₹ PER EQUITY SHARE)
Purnima Ashwin Desai	Promoter Selling Shareholder	2,820,000# Equity Shares aggregating to ₹ 1,810.44 million#	2.08

**As certified by our Statutory Auditors, by way of their certificate dated May 27, 2022.*

 # Subject to finalization of the Basis of Allotment

RISKS IN RELATION TO THE FIRST OFFER

The face value of the Equity Shares is ₹10. The Floor Price, Cap Price and the Offer Price determined by our Company and the Promoter Selling Shareholder, in consultation with the Book Running Lead Managers, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "*Basis for the Offer Price*" on page 106 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 25.

ISSUER'S AND PROMOTER SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. The Promoter Selling Shareholder accepts responsibility for and confirms that the statements specifically made or confirmed by the Promoter Selling Shareholder in this Prospectus solely to the extent of information specifically pertaining to itself and its portion of the Equity Shares offered by it in the Offer for Sale, and assumes responsibility that such statements are true and correct in all material respects and are not misleading in any material respect. The Promoter Selling Shareholder assumes no responsibility for any other statements, including, inter alia, any of the statements made by or relating to our Company in this Prospectus.

LISTING

The Equity Shares offered through the Red Herring Prospectus and this Prospectus are proposed to be listed on the Stock Exchanges being BSE and NSE. For the purposes of the Offer, BSE Limited is the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGERS

NAME OF BOOK RUNNING LEAD MANAGER AND LOGO	CONTACT PERSON	E-MAIL AND TELEPHONE
HDFC BANK We understand your world **HDFC BANK LIMITED**	Ravi Sharma / Harsh Thakkar	**Telephone:** +91 22 3395 8233 **E-mail:** aetherindustries.ipo@hdfcbank.com
kotak® Investment Banking **KOTAK MAHINDRA CAPITAL COMPANY LIMITED**	Ganesh Rane	**Telephone:** +91 22 4336 0000 **E-mail:** aetherindustries.ipo@kotak.com

REGISTRAR TO THE OFFER

NAME OF THE REGISTRAR	CONTACT PERSON	EMAIL AND TELEPHONE
Link Intime India Private Limited	Shanti Gopalkrishnan	**Email**: aether.ipo@linkintime.co.in **Telephone:** +91 22 4918 6200

BID/OFFER PROGRAMME

ANCHOR INVESTOR PORTION OPENED ON	MONDAY, MAY 23, 2022 (1)	BID/OFFER OPENED ON	TUESDAY, MAY 24, 2022	BID/OFFER CLOSED ON	THURSDAY, MAY 26, 2022

(1) The Anchor Investor Bid/Offer Period was one Working Day prior to the Bid/Offer Opening Date.

PROSPECTUS
Dated May 27, 2022
(Please read Section 26 of the Companies Act, 2013)
100% Book Built Issue

AETHER INDUSTRIES LIMITED

Aether Industries Limited ("**Company**") was incorporated on January 23, 2013, at Surat, Gujarat, India as a public limited company under the Companies Act, 1956 and received the certificate for commencement of business from RoC on March 18, 2013. For details of the change in the registered office of our Company, please see the section entitled "*History and Certain Corporate Matters*" on page 189.

Registered and Corporate Office: Plot No. 8203, GIDC, Sachin, Surat- 394230, Gujarat, **Tel:** +91 261 660 3360
Contact Person: Chitrarth Rajan Parghi, Company Secretary and Compliance Officer
E-mail: compliance@aether.co.in; **Website**: www.aether.co.in
Corporate Identity Number: U24100GJ2013PLC073434

OUR PROMOTERS: ASHWIN JAYANTILAL DESAI, PURNIMA ASHWIN DESAI, ROHAN ASHWIN DESAI, DR. AMAN ASHVIN DESAI, AJD FAMILY TRUST, PAD FAMILY TRUST, RAD FAMILY TRUST, AAD FAMILY TRUST AND AAD BUSINESS TRUST

INITIAL PUBLIC OFFER OF 12,586,355 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF AETHER INDUSTRIES LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹ 642 PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ 632 PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING TO ₹ 8,080.44 MILLION** ("OFFER") COMPRISING A FRESH ISSUE OF 9,766,355** EQUITY SHARES AGGREGATING TO ₹ 6,270.00 MILLION* BY OUR COMPANY (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF 2,820,000** EQUITY SHARES BY PURNIMA ASHWIN DESAI (THE "PROMOTER SELLING SHAREHOLDER") AGGREGATING TO ₹ 1,810.44 MILLION** ("OFFER FOR SALE" AND SUCH EQUITY SHARES, THE "OFFERED SHARES"). THE OFFER INCLUDES A RESERVATION OF 111,370** EQUITY SHARES, AGGREGATING TO ₹ 71.50 MILLION**, FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (AS DEFINED HEREIN) (THE "EMPLOYEE RESERVATION PORTION"). THE EMPLOYEE RESERVATION PORTION SHALL NOT EXCEED 0.09% OF THE POST OFFER PAID-UP EQUITY SHARE CAPITAL THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER SHALL CONSTITUTE 10.11% AND 10.02%, RESPECTIVELY, OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

***OUR COMPANY, IN CONSULTATION WITH THE BRLMs, HAS UNDERTAKEN A PRIVATE PLACEMENT OF 2,024,921 EQUITY SHARES AGGREGATING TO ₹ 1,300.00 MILLION ("PRE-IPO PLACEMENT"). THE SIZE OF THE FRESH ISSUE OF EQUITY SHARES HAS BEEN ADJUSTED PURSUANT TO THE PRE-IPO PLACEMENT.**
**** SUBJECT TO FINALIZATION OF THE BASIS OF ALLOTMENT**

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH. THE OFFER PRICE IS 64.20 TIMES THE FACE VALUE OF THE EQUITY SHARES.

The Offer has been made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**"), read with Regulation 31 of the SEBI ICDR Regulations. The Offer has been made in accordance with Regulation 6(1) of the SEBI ICDR Regulations, through the Book Building Process wherein not more than 50% of the Net Offer was available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") ("**QIB Portion**"), provided that our Company and the Promoter Selling Shareholder in consultation with the BRLMs has allocated up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("**Anchor Investor Portion**"), out of which one-third was reserved for domestic Mutual Funds only, subject to valid Bids having been received from domestic Mutual Funds at or above the Anchor Investor Offer Price, in accordance with the SEBI ICDR Regulations. Further, 5% of the Net QIB Portion was available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion was available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids having been received at or above the Offer Price. However, if the aggregate demand from Mutual Funds was less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion shall be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Offer was available for allocation to Non-Institutional Bidders out of which (a) one third of such portion was reserved for Non-Institutional Bidders with application size exceeding ₹ 0.20 million and up to ₹ 1.00 million; and (b) two third of such portion was reserved for Non-Institutional Bidders with Bid size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of such sub-categories was allocated to Non-Institutional Bidders in the other sub-category of Non-Institutional Bidders and not less than 35% of the Net Offer was made available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids having been received at or above the Offer Price. Further, Equity Shares have been allocated on a proportionate basis to Eligible Employees applying under the Employee Reservation Portion, subject to valid Bids having been from them at or above the Offer Price. All potential investors, other than Anchor Investors, were required to mandatorily utilise the Application Supported by Blocked Amount ("**ASBA**") process providing details of their respective bank accounts (including UPI ID (defined herein) in case of UPI Bidders (defined herein) in which the Bid Amount was blocked by the Self Certified Syndicate Banks ("**SCSBs**") or the Sponsor Banks through the UPI Mechanism, as applicable. Anchor Investors were not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, please see the section entitled "*Offer Procedure*" on page 349 of this Prospectus.

RISK IN RELATION TO THE FIRST OFFER

This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10. The Offer Price, Floor Price and Price Band should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to the section entitled "*Risk Factors*" on page 25.

ISSUER'S AND THE PROMOTER SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission or inclusion of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.
Further, the Promoter Selling Shareholder accepts responsibility for and confirms the statement made by the Promoter Selling Shareholder in this RHP and to the extent of information specifically pertaining to itself and its Offered Shares contained in this Prospectus as true and correct in all material aspects and not misleading in any material respect.

LISTING

The Equity Shares offered through the Red Herring Prospectus and this Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received an 'in-principle' approval from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated January 18, 2022 and January 19, 2022, respectively. For the purposes of the Offer, the Designated Stock Exchange is BSE Limited. A copy of the Red Herring Prospectus has been and a copy of this Prospectus shall be delivered for filing with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents, which have been made available for inspection from the date of the Red Herring Prospectus up to Bid/Offer Closing Date, please see the section entitled "*Material Contracts and Documents for Inspection*" on page 380.

BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE OFFER
HDFC BANK LIMITED Investment Banking Group Unit No 401 & 402, 4th Floor, Tower B Peninsula Business Park, Lower Parel, Mumbai – 400 013 Maharashtra, India **Telephone:** +91 22 3395 8233 **E-mail:** aetherindustries.ipo@hdfcbank.com **Investor grievance e-mail:** investor.redressal@hdfcbank.com **Website:** www.hdfcbank.com **Contact person:** Ravi Sharma/Harsh Thakkar **SEBI registration number:** INM000011252	**KOTAK MAHINDRA CAPITAL COMPANY LIMITED** 1st Floor, 27BKC, Plot No. C-27, "G" Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 Maharashtra, India **Telephone:** +91 22 4336 0000 **E-mail:** aetherindustries.ipo@kotak.com **Investor grievance e-mail:** kmccredressal@kotak.com **Website:** https://investmentbank.kotak.com/ **Contact person:** Ganesh Rane **SEBI registration number:** INM000008704	**LINK INTIME INDIA PRIVATE LIMITED** C 101, 1st Floor, 247 Park L.B.S. Marg, Vikhroli (West), Mumbai 400 083 Maharashtra, India **Telephone**: +91 22 4918 6200 **E-mail**: aether.ipo@linkintime.co.in **Website**: www.linkintime.co.in **Investor grievance e-mail**: aether.ipo@linkintime.co.in **Contact person**: Shanti Gopalkrishnan **SEBI registration number**: INR000004058

BID/OFFER PROGRAMME

BID/OFFER OPENED ON	Tuesday, May 24, 2022[(1)]
BID/OFFER CLOSEED ON	Thursday, May 26, 2022

(1) The Anchor Investor Bid/Offer Period was one Working Day prior to the Bid/Offer Opening Date i.e., Monday, May 23, 2022..

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended from time to time.

The words and expressions used in this Prospectus but not defined herein, shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SEBI Listing Regulations, the SCRA, the Depositories Act or the rules and regulations made in each such Acts or Regulations.

Notwithstanding the foregoing, terms in the chapters/sections entitled "Statement of Special Tax Benefits", "Industry Overview", "Our Business", "Key Regulations and Policies in India", "Financial Information", "Outstanding Litigation and Other Material Developments" and "Main Provisions of Articles of Association" will have the meaning ascribed to such terms in these respective chapters/sections.

General Terms

Term	Description
our Company, the Company, the Issuer, we, us or our	Aether Industries Limited, a company incorporated under the Companies Act, 1956 and having its Registered and Corporate Office at Plot No. 8203, GIDC, Sachin, Surat - 394230, Gujarat, India

Company Related Terms

Term	Description
Articles of Association / AoA	Articles of Association of our Company, as amended
Audit Committee	Audit committee of our Company as described in "*Our Management*" on page 196
Auditors / Statutory Auditors	Statutory auditors of our Company, namely, M/s. Birju S. Shah & Associates
Board/Board of Directors	Board of directors of our Company, as constituted from time to time, including a duly constituted committee thereof
Chairperson	Chairperson of our Board, being Kamalvijay Ramchandra Tulsian
Chief Financial Officer	Chief Financial Officer of our Company, being Faiz Arif Nagariya
Company Secretary and Compliance Officer	Company Secretary and Compliance Officer of our Company, being Chitrarth Rajan Parghi
Corporate Social Responsibility Committee / CSR Committee	The corporate social responsibility committee of our Company as described in "*Our Management*" on page 196
Director(s)	Director(s) of our Company
Equity Shares	Equity shares of our Company of face value of ₹ 10 each
ESOS Scheme 2021	Aether Industries Limited Employees Stock Option Scheme 2021
Executive Directors	Executive directors of our Company
F&S	Frost & Sullivan
F&S Report	"*Indian Chemicals and Specialty Chemicals Market Report*", released in May, 2022 by F&S which was commissioned and paid for by our Company
Group Companies	Our group companies as disclosed in section "*Our Group Companies*" on page 216
IPO Committee	The IPO committee of our Company
Key Management Personnel	Key management personnel of our Company in terms of the Companies Act, 2013 and the SEBI ICDR Regulations and as disclosed in "*Our Management – Key Management Personnel*" on page 210
Materiality Policy	The policy adopted by our Board on December 6, 2021, for identification of: (a) material outstanding litigation proceedings; (b) Group Companies; and (c) outstanding dues to material creditors, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in the Draft Red Herring Prospectus, the Red Herring Prospectus and this Prospectus
Memorandum of Association / MoA	Memorandum of Association of our Company, as amended
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Company as described in "*Our Management*" on page 196
Non-Executive Director	A Director not being an Executive Director, as described in "*Our Management*" on page 196

Term	Description
Non-Executive Independent Director	Non-Executive Independent Director(s) on our Board
Preference Shares	8% convertible cumulative redeemable preference shares of our Company
Promoters	Promoters of our Company namely, Ashwin Jayantilal Desai, Purnima Ashwin Desai, Rohan Ashwin Desai, Dr. Aman Ashvin Desai, AJD Family Trust, PAD Family Trust, RAD Family Trust, AAD Family Trust and AAD Business Trust For details, please see the section entitled "*Our Promoters and Promoter Group*" on page 212
Promoter Group	Persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(zb) of the SEBI ICDR Regulations. For details, please see the section entitled "*Our Promoters and Promoter Group*" on page 212
Promoter Selling Shareholder	Purnima Ashwin Desai
Registered Office / Registered and Corporate Office	Registered and corporate office of our Company located at Plot No. 8203, GIDC, Sachin, Surat- 394230, Gujarat, India
Registrar of Companies/RoC	Registrar of Companies, Gujarat at Ahmedabad
Restated Financial Statements	The restated IND AS summary statements of assets and liabilities as at December 31, 2021, December 31, 2020, March 31, 2021, March 31, 2020 and March 31, 2019, and the restated IND AS summary statement of profit and loss (including other comprehensive income), cash flows and changes in equity for the nine months ended December 31, 2021 and December 31, 2020 and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 together with the summary of significant accounting policies and explanatory information thereon, which have been derived from our audited financial statements as at and for the nine months ended December 31, 2021 and our audited special purpose Ind AS financial statements for the nine months ended December 31, 2020 and as at and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019, each prepared in accordance with Ind AS, and restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note.
Senior Management Personnel	Senior Management Personnel of our Company as disclosed in "*Our Management – Senior Management Personnel*" on page 210
Shareholders	Equity shareholders of our Company from time to time
SSA 1	Share Subscription Agreement dated November 23, 2021 entered into by and amongst the Company, India Acorn Fund Ltd and Ashoka India Equity Investment Trust Plc
SSA 2	Share Subscription Agreement dated November 23, 2021 entered into by and amongst the Company and IIFL Special Opportunities Fund- Series 9
SSA 3	Share Subscription Agreement dated November 23, 2021 entered into by and amongst the Company, Namrata Doshi, Piyush Rameshchandra Doshi, Ruchira Surendra Manjrekar, Surendra Keshav Manjrekar, Sourabh Manjrekar, Ravindra Shridhar Khot, Kamalvijay Ramchandra Tulsian, Pooja Prayank Agarwal, Amit Bharatkumar Tulsian, Ankur Shyamsunder Tulsian, Sanat Sushilkumar Tulsian, Commerce Centre Pharmachem LLP, Dilip Digambar Ravetkar, KP and Sons HUF, Vinodbhai Bhavanbhai Parmar and Ankit Dalmia
SSA 4	Share Subscription Agreement dated March 14, 2022 entered into by and amongst the Company and IIFL Special Opportunities Fund- Series 9
SSA 5	Share Subscription Agreement dated March 14, 2022 entered into by and amongst the Company and IIFL Special Opportunities Fund- Series 10
SSA 6	Share Subscription Agreement dated March 14, 2022 entered into by and amongst the Company and SBI Funds Management Limited
SSA 7	Share Subscription Agreement dated March 14, 2022 entered into by and amongst the Company, India Acorn Fund Limited and Ashoka India Equity Investment Trust Plc
SSA 8	Share Subscription Agreement dated April 28, 2022 entered into by and amongst the Company and The Regents of the University of California – IIFL Asset Management Limited
Stakeholders Relationship Committee	The Stakeholders Relationship Committee of our Company as described in the section entitled "*Our Management*" on page 196
Whole-time Director	Whole-time Director(s) on our Board

Offer Related Terms

Term	Description
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by SEBI in this behalf
Acknowledgement Slip	The slip or document to be issued by a Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allot/Allotment/Allotted	Unless the context otherwise requires, allotment or transfer, as the case may be of Equity Shares offered pursuant to the Fresh Issue and transfer of the Offered Shares by the Promoter Selling Shareholder pursuant to the Offer for Sale to the successful Bidders
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Escrow Accounts	Accounts opened with Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through direct credit, NEFT, RTGS or NACH in respect of the Bid Amount when submitting a Bid
Anchor Investor	A Qualified Institutional Buyer, who applied under the Anchor Investor Portion in accordance with the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 100 million
Anchor Investor Allocation Price	The price, in this case being ₹ 642 at which Equity Shares has been allocated to Anchor Investors at the end of the Anchor Investor Bid/Offer Period, in terms of the Red Herring Prospectus. The Anchor Investor Allocation Price was determined by our Company and the Promoter Selling Shareholder, in consultation with the BRLMs during the Anchor Investor Bid / Offer Period.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which was considered as an application for Allotment in terms of the Red Herring Prospectus
Anchor Investor Bid/Offer Period	May 23, 2022, being one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors were submitted and allocation to Anchor Investors was completed
Anchor Investor Offer Price	Final price, in this case being ₹ 642 at which the Equity Shares were Allotted to Anchor Investors in terms of the Red Herring Prospectus and this Prospectus, which price was equal to the Offer Price
Anchor Investor Portion	60% of the QIB Portion, consisting of 3,742,495, which was allocated by our Company and the Promoter Selling Shareholder, in consultation with the BRLMs to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, out of which one third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids having been received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations **Subject to finalisation of the Basis of Allotment*
Anchor Investor Pay-In Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bid/Offer Period, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than two Working Days after the Bid/Offer Closing Date
Application Supported by Blocked Amount or ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorizing an SCSB to block the Bid Amount in the ASBA Account and includes applications made by UPI Bidders using the UPI Mechanism
ASBA Account	A bank account maintained with an SCSB and specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the ASBA Form and will include amounts blocked by SCSB upon acceptance of UPI Mandate Request by UPI Bidders using the UPI Mechanism
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders, which was considered as the application for Allotment in terms of the Red Herring Prospectus and this Prospectus
Banker(s) to the Offer	The Escrow Collection Bank(s), Refund Bank(s), Public Offer Account Bank(s) and

Term	Description
	the Sponsor Banks, as the case may be
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders under the Offer, as described in the section entitled "*Offer Procedure*" on page 349
Bid	An indication to make an offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/Offer Period by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band. The term "Bidding" shall be construed accordingly
Bid Amount	The highest value of the optional Bids as indicated in the Bid cum Application Form and paid by the Bidder or as blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid in the Offer However, Eligible Employees who applied in the Employee Reservation Portion were allowed to apply at the Cut-off Price and the Bid amount was Cap Price, multiplied by the number of Equity Shares Bid for by such Eligible Employee and mentioned in the Bid cum Application Form. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee did not exceed ₹500,000. The initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹200,000 in value. Only in the event of an under- subscription in the Employee Reservation Portion post the initial allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹200,000, subject to the total Allotment to an Eligible Employee not exceeding ₹500,000 in value
Bid cum Application Form	The form in terms of which the Bidder has made a Bid, including ASBA Form, and which has been considered as the application for the Allotment pursuant to the terms of the Red Herring Prospectus and this Prospectus
Bid Lot	23 Equity Shares and in multiples of 23 Equity Shares thereafter
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries did not accept any Bids, being May 26, 2022, which was published in all editions of the Financial Express, an English national newspaper, all editions of Jansatta, a Hindi national newspaper and Surat edition of Gujaratmitra and Gujaratdarpan,Gujarati daily newspapers (Gujarati being the regional language of Gujarat, where our Registered and Corporate Office is located) each with wide circulation.
Bid/Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries started accepting Bids, being May 24, 2022, which was published in all editions of the Financial Express, an English national newspaper, all editions of Jansatta, a Hindi national newspaper and Surat edition of Gujaratmitra and Gujaratdarpan, a Gujarati daily newspaper (Gujarati being the regional language of Gujarat where our Registered and Corporate Office is located) each with wide circulation
Bid/Offer Period	Except in relation to any Bids received from Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which prospective Bidders could submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus.
Bidder	Any investor who made a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form, and unless otherwise stated or implied, and includes an ASBA Bidder and an Anchor Investor
Bidding Centers	Centers at which the Designated Intermediaries accepted the ASBA Forms, i.e., Designated Branches for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer has been made
BRLMs or Book Running Lead Managers	The book running lead managers to the Offer namely, HDFC Bank Limited and Kotak Mahindra Capital Company Limited
Broker Centres	Broker centres of the Registered Brokers notified by the Stock Exchanges where Bidders could submit the ASBA Forms to a Registered Broker

Term	Description
	The details of such Broker Centres, along with the names and contact details of the Registered Brokers were available on the respective websites of the Stock Exchanges, www.bseindia.com and www.nseindia.com, as updated from time to time
CAN/Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to successful Anchor Investors, who have been allocated the Equity Shares, on/after the Anchor Investor Bid/Offer Period
Cap Price	The higher end of the Price Band, being ₹ 642 above which the Offer Price and the Anchor Investor Offer Price were not finalised and above which no Bids were accepted
Cash Escrow and Sponsor Bank Agreement	Agreement to be entered into among our Company, the Promoter Selling Shareholder, the Registrar to the Offer, the BRLMs, the Syndicate Members, the Banker(s) to the Offer for the appointment of the Sponsor Banks in accordance with UPI Circulars, collection of the Bid Amounts, transfer of funds to the Public Offer Accounts, and where applicable remitting refunds, if any, to the Anchor Investors, on the terms and conditions thereof
Client ID	Client identification number of the Bidder’s beneficiary account maintained with one of the Depositories in relation to the demat account
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI UPI Circulars, issued by SEBI, as per the list available on the websites of the Stock Exchanges, www.bseindia.com and www.nseindia.com, as updated from time to time
Collecting Registrar and Share Transfer Agents / CRTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of the UPI Circulars
Cut-off Price	The Offer Price, being ₹ 642 per Equity Share, finalized by our Company and the Promoter Selling Shareholder, in consultation with the BRLMs. Only Retail Individual Bidders and Eligible Employees Bidding were entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders were not entitled to Bid at the Cut-off Price
Demographic Details	Details of the Bidders including the Bidder’s address, name of the Bidder’s father/husband, investor status, occupation , PAN, bank account details and UPI ID wherever applicable
Designated Branches	Such branches of the SCSBs which collected the Bid cum Application Form used by Bidders (other than Anchor Investors), a list of which is available at the website of the SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time
Designated CDP Locations	Such centres of the Collecting Depository Participants where Bidders (other than Anchor Investors) could submit the Bid cum Application Forms. The details of such Designated CDP Locations, along with the names and contact details of the CDPs were available on the respective websites of the Stock Exchanges and updated from time to time
Designated Date	The date on which the funds from the Anchor Escrow Accounts are transferred to the Public Offer Account or the Refund Account(s), as appropriate, and the relevant amounts blocked by the SCSBs are transferred from the ASBA Accounts, to the Public Offer Account and/or are unblocked, as applicable, in terms of the Red Herring Prospectus and this Prospectus after finalization of basis of allotment with the Designated Stock Exchange
Designated Intermediaries	In relation to ASBA Forms submitted by RIBs, Eligible Employees and NIB Bidding with an application size of up to ₹ 0.5 million (not using the UPI Mechanism) by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount was blocked upon acceptance of UPI Mandate Request by such UPI Bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs, NIBs (not using the UPI Mechanism), Designated Intermediaries shall mean SCSBs, Syndicate, sub-syndicate, Registered Brokers, CDPs, SCSBs and RTAs
Designated RTA Locations	Such centres of the RTAs where Bidders (other than Anchor Investors) could submit the Bid cum Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com) and updated from time to time

Term	Description
Designated SCSB Branches	Such branches of the SCSBs which collected the ASBA Forms, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	BSE Limited
Draft Red Herring Prospectus or DRHP	The Draft Red Herring Prospectus dated December 28, 2021, issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars, including of the Offer Price and the size of the Offer, including any addendum and corrigendum thereto
Eligible Employee(s)	All or any of the following: (a) a permanent employee of our Company (excluding such employees who were not eligible to invest in the Offer under applicable laws) as of the date of filing of the Red Herring Prospectus with the RoC and who continued to be a permanent employee of our Company, until the submission of the Bid cum Application Form; and (b) a Director of our Company, whether whole time or not, who was eligible to apply under the Employee Reservation Portion under applicable law as on the date of filing of the Red Herring Prospectus with the RoC and who continued to be a Director of our Company, until the submission of the Bid cum Application Form, but not including Directors who either themselves or through their relatives or through any body corporate, directly or indirectly, hold more than 10% of the outstanding Equity Shares of our Company. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee could not exceed ₹500,000. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion could not exceed ₹200,000.
Eligible FPI(s)	FPIs that are eligible to participate in this Offer in terms of applicable laws, other than individuals, corporate bodies and family offices.
Eligible NRI(s)	A non-resident Indian, resident in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the ASBA Form and the Red Herring Prospectus constituted an invitation to subscribe for the Equity Shares
Employee Reservation	The portion of the Offer being 111,370* Equity Shares, aggregating to ₹ 71.50 million* available for allocation to Eligible Employees, on a proportionate basis. **Subject to finalization of the Basis of Allotment*
Escrow Account	Account(s) opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors transfered money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank(s)	The bank(s) which is/are clearing members and are registered with SEBI as an escrow bank, with whom the Anchor Escrow Accounts in relation to the Offer for Bids by Anchor Investors were opened, in this case being HDFC Bank Limited
First Bidder	Bidder whose name appeared first in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name appeared as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, i.e., ₹ 610, at or above which the Offer Price and the Anchor Investor Offer Price has been finalised and below which no Bids were accepted and which was not less than the face value of the Equity Shares
Fresh Issue	The fresh issue of 9,766,355* Equity Shares by our Company aggregating to ₹ 6,270.00 million^, to be issued by our Company as part of the Offer, in terms of the Red Herring Prospectus and this Prospectus. ^ Our Company, in consultation with the BRLMs, has undertaken a Pre-IPO Placement aggregating of 2,024,921 Equity Shares to ₹ 1,300.00 million. The size of the Fresh Issue of Equity Shares aggregating to ₹ 7,570.00 million has been reduced by ₹ 1,300.00 million pursuant to the Pre-IPO Placement and accordingly, the Fresh Issue comprises of 9,766,355 Equity Shares aggregating to ₹ 6,270.00 million*. **Subject to finalization of the Basis of Allotment*
General Information Document/GID	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI / HO / CFD / DIL1 / CIR / P / 2020 / 37 dated March 17, 2020 and the SEBI circular no. SEBI / HO / CFD / DIL2 / CIR / P / 2020 / 50 dated March 30, 2020, as amended by SEBI from time to time and the UPI Circulars The General Information Document is available on the websites of the Stock Exchanges and the BRLMs

Term	Description
HDFC	HDFC Bank Limited
Kotak	Kotak Mahindra Capital Company Limited
Minimum NIB Application Size	Bid amount of more than ₹ 200,000
Mutual Fund Portion	5% of the Net QIB Portion or 124,750* Equity Shares which has been available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids having been received at or above the Offer Price **Subject to finalization of the Basis of Allotment*
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Monitoring Agency	HDFC Bank Limited
Monitory Agency Agreement	Agreement entered into between our Company and the Monitoring Agency
Net Offer	The Offer less the Employee Reservation Portion
Net Proceeds	Proceeds of the Offer that will be available to our Company, i.e., gross proceeds of the Fresh Issue, less Offer expenses to the extent applicable to the Fresh Issue together with the proceeds from the Pre-IPO Placement. For further information about use of the Offer Proceeds and the Offer expenses, please see the section entitled "*Objects of the Offer*" on page 92
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
Non-Institutional Bidders/NIBs	All Bidders that are not QIBs (including Anchor Investors) and Retail Individual Bidders who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs).
Non-Institutional Portion	The portion of the Net Offer being not less than 15% of the Net Offer consisting of 1,871,248* Equity Shares which was made available for allocation to Non-Institutional Bidders, subject to valid Bids having been received at or above the Offer Price, out of which i) one third was reserved for NIBs with application size exceeding ₹ 0.20 million up to ₹ 1.00 million; and ii) two-thirds was reserved for NIBs with application size exceeding ₹ 1.00 million. **Subject to finalization of the Basis of Allotment*
Non-Resident	A person resident outside India, as defined under FEMA and includes a non-resident Indian, FPIs and FVCIs
Offer	The initial public offering of 12,586,355* Equity Shares for cash at a price of ₹ 642 each (including a premium of ₹ 632 per Equity Share), aggregating to ₹ 8,080.44* million, comprising the Fresh Issue^ and the Offer for Sale. The Offer comprises the Net Offer and Employee Reservation Portion. ^ Our Company, in consultation with the BRLMs, has undertaken a Pre-IPO Placement of 2,024,921 Equity Shares aggregating to ₹ 1,300.00 million. The size of the Fresh Issue of Equity Shares aggregating to ₹ 7,570.00 million has been reduced by ₹ 1,300.00 million pursuant to the Pre-IPO Placement and accordingly, the Fresh Issue comprises of 9,766,355* Equity Shares aggregating to ₹ 6,270.00 million*. **Subject to finalization of the Basis of Allotment*
Offer Agreement	The agreement dated December 28, 2021, entered into amongst our Company, the Promoter Selling Shareholder and the BRLMs, pursuant to the SEBI ICDR Regulations, based on which certain arrangements are agreed to in relation to the Offer and as amended pursuant to amendment agreement to the Offer Agreement dated May 7, 2022.
Offer for Sale	Offer of 2,820,000* Equity Shares aggregating to ₹ 1,810.44* million by Purnima Ashwin Desai to be offered for sale pursuant to the Offer in terms of the Red Herring Prospectus and this Prospectus. For further information, please see the section entitled "*The Offer*" on page 58. **Subject to finalization of the Basis of Allotment*
Offer Price	₹ 642 per Equity Share being the final price at which Equity Shares will be Allotted to the successful Bidders (other than Anchor Investors), as determined in accordance with the Book Building Process and determined by our Company and the Promoter Selling Shareholder, in consultation with the BRLMs in terms of the Red Herring Prospectus on the Pricing Date. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of the Red Herring Prospectus
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale which shall be available to the Promoter Selling

Term	Description
	Shareholder. For further information about use of the Offer Proceeds, see "*Objects of the Offer*" beginning on page 92
Offered Shares	2,820,000* Equity Shares aggregating to ₹ 1,810.44* million by the Promoter Selling Shareholder **Subject to finalization of the Basis of Allotment*
Pre-IPO Placement	Private placement of 2,024,921 Equity Shares by our Company, in consultation with the BRLMs, aggregating to ₹ 1,300.00 million. For further details in relation to the Pre-IPO Placement, see "*Capital Structure*" on page 75
Price Band	Price Band of the Floor Price and the Cap Price The Price Band and the minimum Bid Lot size for the Offer were decided by our Company, in consultation with the BRLMs and was advertised, at least two Working Days prior to the Bid/Offer Opening Date, in all editions of the Financial Express, an English national newspaper, all editions of Jansatta, a Hindi national newspaper, and Surat edition of Gujaratmitra and Gujaratdarpan, a Gujarati newspaper (Gujarati being the regional language of Gujarat, where our Registered and Corporate Office is located), each with wide circulation. It was also made available to the Stock Exchanges for the purpose of uploading on their websites
Pricing Date	The date on which our Company and the Promoter Selling Shareholder, in consultation with the BRLMs, finalized the Offer Price, in accordance with the Book Building Process and the Red Herring Prospectus and this Prospectus
Prospectus	This Prospectus dated May 27, 2022 of our Company to be filed with the RoC for this Offer after the Pricing Date, in accordance with Section 26 of the Companies Act, 2013 and the SEBI ICDR Regulations, containing, *inter alia*, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information including any addenda or corrigenda thereto
Public Offer Account Bank	The bank with which the Public Offer Account(s) was opened and maintained, in this case being HDFC Bank Limited
Public Offer Account(s)	Bank account(s) opened under Section 40(3) of the Companies Act, 2013 to receive monies from the Escrow Account and ASBA Accounts on the Designated Date
QIB Category/QIB Portion	The portion of the Offer, being not more than 50% of the Net Offer or 6,237,492* Equity Shares to be Allotted to QIBs on a proportionate basis, including the Anchor Investor Portion (in which allocation was on a discretionary basis, as determined by our Company and the Promoter Selling Shareholder, in consultation with the BRLMs, subject to valid Bids having been received at or above the Offer Price) **Subject to finalization of the Basis of Allotment*
Qualified Institutional Buyers or QIBs or QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Red Herring Prospectus or RHP	The Red Herring Prospectus of our Company, dated May 16, 2022, issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which did not have complete particulars of the price at which the Equity Shares will be issued and the size of the Offer
Refund Account(s)	The account opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made
Refund Bank(s)	The Bankers to the Offer with whom the Refund Account(s) will be opened, in this case being HDFC Bank Limited
Registered Brokers	Stock brokers registered with SEBI and the Stock Exchanges having nationwide terminals, other than the BRLMs and the Syndicate Members and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012 and the SEBI UPI Circulars, issued by SEBI
Registrar Agreement	The agreement dated December 16, 2021, entered into amongst our Company, the Promoter Selling Shareholder and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer and as amended pursuant to amendment agreement to the Registrar Agreement dated May 7, 2022
Registrar and Share Transfer Agents or RTAs	Registrars to an issue and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI UPI Circulars, issued by SEBI
Registrar to the Offer or Registrar	Link Intime India Private Limited
Retail Individual Bidder(s)/RIB(s)	Individual Bidders, who could have Bid for the Equity Shares for an amount not more than ₹ 200,000 in any of the Bidding options in the Offer (including HUFs applying

Term	Description
	through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Retail Portion	The portion of the Offer being not less than 35% of the Net Offer consisting of 4,366,245* Equity Shares which was made available for allocation to Retail Individual Bidder(s) in accordance with the SEBI ICDR Regulations which was not less than the Minimum Bid Lot, subject to valid Bids having been received at or above the Offer Price ** Subject to finalization of the Basis of Allotment*
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s), as applicable QIB Bidders and Non-Institutional Bidders were not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion could revise their Bids during the Bid/Offer Period and were allowed to withdraw their Bids until Bid/Offer Closing Date
SEBI UPI Circulars	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL-2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51dated April 20, 2022 and any subsequent circulars or notifications issued by SEBI in this regard
Share Escrow Agreement	The agreement dated May 16, 2022 entered into amongst the Promoter Selling Shareholder, our Company and a share escrow agent, in connection with the transfer of the respective portion of Offered Shares and credit of such Equity Shares to the demat account of the Allottees
Self Certified Syndicate Bank(s) or SCSB(s)	The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount is blocked by authorising an SCSB, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to UPI Bidders using the UPI Mechanism, a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time
Sponsor Banks	The Banker to the Offer registered with SEBI, which has been appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the UPI Bidders using the UPI Mechanism and carry out any other responsibilities, in terms of the SEBI circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, in this case being Axis Bank Limited, HDFC Bank Limited and Kotak Mahindra Bank Limited
Specified Locations	Bidding centres where the Syndicate accepted Bid cum Application Forms from the Bidders, a list of which is which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time
Stock Exchanges	Collectively, NSE and BSE
Syndicate or Members of the Syndicate	Collectively, the BRLMs and the Syndicate Members
Syndicate Agreement	Agreement dated May 16, 2022 to be entered into amongst the BRLMs, the Syndicate Members, our Company and the Promoter Selling Shareholder in relation to collection of Bid cum Application Forms by the Syndicate
Syndicate Members	Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, HDFC Securities Limited and Kotak Securities Limited
Underwriters	BRLMs and the Syndicate Members
Underwriting Agreement	The agreement among the Underwriters, our Company and the Promoter Selling Shareholder dated May 27, 2022
UPI	Unified payments interface, which is an instant payment mechanism, developed by NPCI

Term	Description
UPI Bidders	Collectively, individual investors applying as Retail Individual Bidders in the Retail Portion, Eligible Employees Bidding under the Employee Reservation Portion and NIB Bidding with an application size of more than ₹ 200,000 and up to ₹ 500,000 in the Non-Institutional Portion and Bidding under the UPI Mechanism Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹ 500,000 shall use UPI and shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI ID	Identity document created on UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the RIB by way of a notification on the UPI application and by way of a SMS directing the RIB to such UPI application) to the RIB initiated by the Sponsor Banks to authorize blocking of funds in the relevant ASBA Account through the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment In accordance with the SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, RIBs Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 respectively, as updated from time to time
UPI Mechanism	The Bidding mechanism that was made available to be used by an UPI Bidder to make a Bid in the Offer in accordance with the SEBI UPI Circulars
UPI PIN	Password to authenticate UPI transaction
Working Day	All days on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, the term Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI, including the SEBI UPI Circulars

Conventional and General Terms or Abbreviations

Term	Description
₹/Rs./Rupees/INR	Indian Rupees
AIF(s)	Alternative Investment Fund(s) as defined in and registered with SEBI under the SEBI AIF Regulations
Air Act	Air (Prevention and Control of Pollution) Act, 1981
AS/Accounting Standards	Accounting Standards issued by the ICAI
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
Capital Employed	Total equity , add current borrowings , add non-current borrowings, less current investments, less cash & cash equivalents, less bank balances other than cash & cash equivalents.
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Companies Act	Companies Act, 1956 and/or the Companies Act, 2013, as applicable
Companies Act, 1956	Companies Act, 1956, and the rules thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections)

Term	Description
Companies Act, 2013	The Companies Act, 2013, and the rules and clarifications issued thereunder to the extent in force pursuant to the notification of the Notified Sections
Consolidated FDI Policy	The consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time
Demat	Dematerialised
Depositories	NSDL and CDSL
Depositories Act	Depositories Act, 1996
DIN	Director Identification Number
DGVCL	Dakshin Gujarat Vij Company Limited
DPIIT	Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
DP ID	Depository Participant's Identification
DP/ Depository Participant	A depository participant as defined under the Depositories Act
EBITDA	Earnings before interest, tax, depreciation and amortisation
EGM	Extraordinary General Meeting
EPF Act	Employees' Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings Per Share
FCNR	Foreign Currency Non-Resident
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, and the rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019 issued by the Ministry of Finance, Government of India
Financial Year/Fiscal/fiscal/ /FY	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FLC	Foreign letter of credit
FPI(s)	Foreign portfolio investor(s) as defined under the SEBI FPI Regulations
FVCI(s)	Foreign venture capital investor(s) as defined and registered under the SEBI FVCI Regulations
GIDC	Gujarat Industrial Development Corporation
GoI/Government	Government of India
GPCB	Gujarat Pollution Control Board
GST	Goods and Services Tax
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards as adopted by the International Accounting Standards Board
Income Tax Act, IT Act	The Income-tax Act, 1961
Ind AS	Indian Accounting Standards
India	Republic of India
Indian GAAP	Generally Accepted Accounting Principles in India
IPO	Initial public offering
IST	Indian Standard Time
LC	Letter of credit
Mutual Fund(s)	Mutual funds registered under the SEBI (Mutual Funds) Regulations, 1996
N.A./ NA	Not Applicable
NAV	Net Asset Value
NACH	National Automated Clearing House
NEFT	National Electronic Fund Transfer
Non-Resident	A person resident outside India, as defined under FEMA and includes a Non-Resident Indian and FPIs
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the Ministry of Corporate Affairs, Government of India, and are currently in effect
NR	Non-resident
NRE Account	Non-Resident External Account
NRI	An individual resident outside India who is a citizen of India or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in

Term	Description
	existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer
OCI	Other Comprehensive Income
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PAT Margin	PAT for the year/period divided by revenue from operations for the year/period
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
ROCE	Earnings before interest and tax divided by Capital Employed
ROE	Net profit divided by shareholders equity
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI ESOP Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SMC	Surat Municipal Corporation
STT	Securities Transaction Tax
Systemically Important NBFCs	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
U.S./USA/United States	United States of America
UK	United Kingdom
US GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	United States Securities Act of 1933, as amended
USD/US$	United States Dollars
VAT	Value Added Tax
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be
Wilful Defaulter or Fraudulent Borrower	Wilful Defaulter or Fraudulent Borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations.

Industry and Business related terms

Term	Description
4MEP	4-(2-Methoxyethyl) Phenol
ADL	Analytical method development
API	Active pharmaceutical ingredient
CRAMS	Contract research and manufacturing services
CSR	Corporate social responsibility
CTO	Chief technology officer
DCS	Distributed control system
DVL	Delta-Valerolactone

Term	Description
HEEP	1-2-(2Hydroxyethoxy) Ethyl Piperazine
ICT	Institute of Chemical Technology
Manufacturing Facility 1 or Hojiwala Unit	Our manufacturing facility at Plot No. B-21/7 SUSML, Road No. 3, Hojiwala Industrial Estate, Sachin, Surat 394230, Gujarat, India.
Manufacturing Facility 2	Our manufacturing facility at Plot No. 8203, Road No. 08, GIDC Industrial Estate, Sachin, Surat 394230, Gujarat, India.
MMBC	3-Methoxy-2-Methylbenzoyl Chloride
NSAIDs	nonsteroidal anti-inflammatory drugs
NODG	N-Octyl-D-Glucamine / 1-Deoxy-1-(Octylamino)-D-Glucitol
OTBN	Ortho Tolyl Benzo Nitrile / 4'-Methyl-2-Cyanobiphynyl
Pilot Plant	Our pilot plant located in Manufacturing Facility 1.
PCPIRs	Petroleum investment regions
PLI	Production linked incentive
Proposed Greenfield Project	New greenfield manufacturing facility at 8202/1, Road No. 8, GIDC Industrial Estate, Sachin, Surat – 394230, Gujarat.
R&D	Research and development
R&D Facilities	Our R&D facilities located in Manufacturing Facility 1.
SH&E	Safety health & environment
SRP Plant	Solvent recovery plant
T2E	Thiophene-2-Ethanol
ZLD plant	Zero liquid discharge plant

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

All references in this Prospectus to "India" are to the Republic of India and all references to the "US", "USA" or "United States" are to the United States of America, together with its territories and possessions.

Unless otherwise specified, any time mentioned in this Prospectus is in Indian Standard Time. Unless indicated otherwise, all references to a year in this Prospectus are to a calendar year.

Unless stated otherwise, all references to page numbers in this Prospectus are to the page numbers of this Prospectus.

Financial Data

Unless stated otherwise or the context otherwise requires, the financial data in this Prospectus is derived from the Restated Financial Statements. The Restated Financial Statements comprises the restated Ind AS summary statements of assets and liabilities as at December 31, 2021, December 31, 2020, March 31, 2021, March 31, 2020 and March 31, 2019, and the restated Ind AS summary statements of profit and loss (including other comprehensive income), cash flows and changes in equity for the nine months ended December 31, 2021 and December 31, 2020 and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019, together with the summary of significant accounting policies and explanatory information thereon, which have been derived from our audited Ind AS financial statements as at and for the nine months ended December 31, 2021 prepared in accordance with Ind AS, and our audited special purpose Ind AS financial statements as at and for the nine months period ended December 31, 2020 and years ended March 31, 2021, March 31, 2020 and March 31, 2019 each prepared in accordance with Ind AS, and restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note.

Our Company's financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the 12 month period ended on March 31 of that year.

Unless the context otherwise indicates, any percentage amounts, as set forth in the sections entitled "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Conditional and Results of Operations*" on pages 25, 153 and 282 respectively, and elsewhere in this Prospectus have been calculated on the basis of the Restated Financial Statements.

In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places including percentage figures in the sections entitled "*Risk Factors*", "*Industry Overview*" and "*Our Business*" on pages 25, 115 and 153 respectively

There are significant differences between Ind AS and US GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or US GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company's financial data. For details in connection with risks involving differences between Ind AS, US GAAP and IFRS, please see the section entitled "*Risk Factors - Significant differences exist between Ind-AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with Ind-AS contained in this Prospectus.*" on page 51. Accordingly, the degree to which the financial information included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Prospectus should accordingly be limited.

Non-GAAP Measures

Certain measures like 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 Tangible Assets, Monetary Assets and Monetary Assets as a % of Net Tangible Assets presented in this Prospectus are supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, these non-GAAP measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. In addition, these non-GAAP measures, are not standardised terms, hence a direct comparison of these Non-GAAP measures between companies may not be possible. Other companies may calculate these Non-GAAP measures differently from us, limiting its usefulness as a comparative measure. Although such Non-GAAP measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance.

Currency and Units of Presentation

All references to:

- "Rupees" or "₹" or "INR" or "Rs." are to Indian Rupee, the official currency of the Republic of India; and

- "USD" or "US$" or "$" are to United States Dollar, the official currency of the United States of America

Our Company has presented all numerical information in this Prospectus in "million" units or in whole numbers where the numbers have been too small to represent in millions. One million represents 1,000,000 and one billion represents 1,000,000,000 and one trillion represents 1,000,000,000,000. One lakh represents 100,000 and one crore represents 10,000,000.

Figures sourced from third-party industry sources may be expressed in denominations other than millions or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

Exchange Rates

This Prospectus contains conversion of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and the USD (in Rupees per USD):

Currency	As on December 31, 2021 (₹)	As on March 31, 2022 (₹)	As on March 31, 2021 (₹)	As on March 31, 2020 (₹)	As on March 31, 2019 (₹)
1 USD	74.30	75.81	73.50	75.39	69.17

Source: www.fbil.org.in

Note: If the RBI/FBIL reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been disclosed

Industry and Market Data

Unless stated otherwise, industry and market data used in this Prospectus has been obtained or derived from industry publication.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates and assumptions that may prove to be incorrect. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors*" on page 25. Accordingly, investment decisions should not be based solely on such information.

Certain information in the sections entitled "*Summary of the Offer Document*", "*Industry Overview*" and "*Our Business*" on pages 19, 115 and 153, respectively of this Prospectus has been obtained from the report titled "*Indian Chemicals and Specialty Chemicals Market Report*" dated May, 2022 prepared by F&S which was commissioned pursuant to letter of agreement dated August 24, 2021, exclusively for the purpose of this Offer and paid for by our Company, which is available on the website of our Company at https://aether.co.in/investor-relations/. We entered into an agreement dated August 24, 2021 with F&S, in connection with the preparation of the Frost & Sullivan Report for the purpose of the Offer. For risks in relation to commissioned reports, see "*Risk Factors – Certain sections of this Prospectus contain information from the F&S Report which we commissioned and purchased and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.*" on page 34. F&S has issued the following disclaimer:

"*Indian Chemicals and Specialty Chemicals Market Report" has been prepared for the proposed initial public offering of equity shares by Aether Industries Limited (the "Company").*

This study has been undertaken through extensive primary and secondary research, which involves discussing the status of the industry with leading market participants and experts, and compiling inputs from publicly available sources, including official publications and research reports. Estimates provided by Frost & Sullivan (India) Private Limited ("Frost & Sullivan") and its assumptions are based on varying levels of quantitative and qualitative analyses, including industry journals, company reports and information in the public domain.

Frost & Sullivan has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and completeness. We believe that this study presents a true and fair view of the industry within the limitations of, among others, secondary statistics and primary research, and it does not purport to be exhaustive. The results that can be or are derived from these findings are based on certain assumptions and parameters/conditions. As such, a blanket, generic use of the derived results or the methodology is not encouraged

Forecasts, estimates, predictions, and other forward-looking statements contained in this report are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements.

In making any decision regarding the transaction, the recipient should conduct its own investigation and analysis of all facts and information contained in the prospectus of which this report is a part and the recipient must rely on its own examination and the terms of the transaction, as and when discussed. The recipients should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction."

In accordance with the SEBI ICDR Regulations, "*Basis for Offer Price*" on page 106 includes information relating to our peer group companies. Such information has been derived from publicly available sources.

The extent to which the market and industry data used in this Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

FORWARD-LOOKING STATEMENTS

This Prospectus contains certain "forward-looking statements". All statements contained in this Prospectus that are not statements of historical fact constitute "forward-looking statements". All statements regarding our expected financial condition and results of operations, business, plans and prospects are "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "likely to", "may", "can", "could", "should", "seek to", "shall", "objective", "plan", "project", "will", "will continue", "will pursue" or other words or phrases of similar import. Similarly, statements that describe our Company's strategies, objectives, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward looking statements. All forward-looking statements whether made by us or any third parties in this Prospectus are based on our current plans, estimates, presumptions and expectations and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement, including but not limited to, regulatory changes pertaining to the industry in which our Company has businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in its industry. Important factors that could cause actual results to differ materially from our Company's expectations include, but are not limited to, the following:

- The Offer Price, market capitalization to total revenue multiple and price to earnings ratio based on the Offer Price of our Company, may not be indicative of the market price of the Equity Shares on listing or thereafter;
- Our business is dependent and will continue to depend on our manufacturing facilities, and we are subject to certain risks in our manufacturing process. Any slowdown or shutdown in our manufacturing operations or strikes, work stoppages or increased wage demands by our employees that could interfere with our operations could have an adverse effect on our business, financial condition and results of operations;
- We are subject to certain risks consequent to our operations involving the manufacture, usage and storage of various hazardous substances;
- We derive a significant part of our revenue from major customers and we do not have long term contracts with all of these customers. If one or more of such customers choose not to source their requirements from us or to terminate our long-term contracts, our business, financial condition and results of operations may be adversely affected;
- Our insurance coverage may not adequately protect us against all losses or the insurance cover may not be available for all the losses as per the insurance policy, which could adversely affect business, financial condition and results of operations.
- We will not receive any proceeds from the Offer for Sale. The Promoter Selling Shareholder will receive the net proceeds from the Offer for Sale;
- Non-compliance with and changes in, safety, health, environmental and labour laws and other applicable regulations, may adversely affect our business, financial condition and results of operations. We have, in the past, failed to make a regulatory filing in a timely manner with the MCA under applicable law;
- Grants of stock options under our employee stock option plans may result in a charge to our statement of profit loss and, to that extent, adversely affect our business, financial condition and results of operations;
- Our contingent liabilities could materially and adversely affect our business, results of operations and financial condition; and
- A portion of the Net Proceeds may be utilized for repayment or pre-payment of loans taken from HDFC Bank Limited, which is one of the Book Running Lead Managers.

For further discussion of factors that could cause the actual results to differ from the expectations, please see the sections entitled "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 25, 153 and 282, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance.

Forward-looking statements reflect current views as of the date of this Prospectus and are not a guarantee of future performance. There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

These statements are based on our management's belief and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward looking statements are based on are reasonable, any of these assumptions could prove to be inaccurate and the forward looking statements based on these assumptions could be incorrect. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance. Neither our Company, our Directors, the BRLMs nor any Syndicate member nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the Promoter Selling Shareholder shall ensure that investors in India are informed of material developments from the date of this Prospectus in relation to the statements and undertakings made by them in this Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges for this Offer. The Promoter Selling Shareholder shall ensure that investors are informed of material developments in relation to statements and undertakings specifically made or confirmed by such Promoter Selling Shareholder in the Draft Red Herring Prospectus, the Red Herring Prospectus and this Prospectus until the grant of listing and trading permission by the Stock Exchanges.

SECTION II - SUMMARY OF THE OFFER DOCUMENT

The following is a general summary of certain disclosures and the terms of the Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Prospectus, including in the sections entitled "Risk Factors", "The Offer", "Capital Structure", "Objects of the Offer", "Promoter and Promoter Group", "Industry Overview", "Our Business", "Outstanding Litigation and Other Material Developments", "Offer Procedure" and "Main Provisions of Articles of Association" on pages 25, 58, 75, 92, 212, 115, 153, 321, 349 and 367 respectively.

Summary of the primary business of the Company

We are a speciality chemical manufacturer in India producing advanced intermediates and speciality chemicals involving complex and differentiated chemistry and technology core competencies. Our business started in 2013, with a vision to create a niche in the global chemical industry. In our first phase through Fiscal 2017, we focused on building our team and infrastructure and on our R&D centred around building our core competencies. Revenue generation commenced with our second phase in Fiscal 2018. We are one of the fastest growing specialty chemical companies in India, growing at CAGR of ~49.53% between Fiscals 2018 and 2021. (Source: F&S Report).

Summary of Industry

From CY2020 to CY2025, the speciality chemical market is expected to grow globally by CAGR of 6.2% and in India by CAGR of 5.2% (Source: F&S Report). This growth is expected to be led by sustained demand in end-use customer segments for our intermediate and speciality chemical products, which are experiencing consumption-led growth in India and key global markets. For example, from CY2020 to CY2025, agrochemicals and fertilizers speciality chemical segment in India is forecasted to grow from $32.9 billion to $53.3 billion, and the pharmaceuticals speciality chemical segment from $16.6 billion to $28.5 billion respectively (Source: F&S Report).

Names of Promoters

The Promoters of our Company are Ashwin Jayantilal Desai, Purnima Ashwin Desai, Rohan Ashwin Desai, Dr. Aman Ashvin Desai, AJD Family Trust, PAD Family Trust, RAD Family Trust, AAD Family Trust and AAD Business Trust.

For details, please see the section entitled "*Our Promoters and Promoter Group*" on page 212.

Offer Size

Offer of Equity Shares	12,586,355* Equity Shares, aggregating to ₹ 8,080.44 million*
of which	
- Fresh Issue[(1)^]	9,766,355* Equity Shares, aggregating to ₹ 6,270.00 million*
- Offer for Sale[(2)]	2,820,000* Equity Shares, aggregating to ₹ 1,810.44 million* by the Promoter Selling Shareholder
of which	
Employee Reservation Portion[(3)]	111,370* Equity Shares aggregating to ₹ 71.50 million*
Net Offer	12,474,985* Equity Shares aggregating to ₹ 8,008.94 million*

**Subject to finalization of the Basis of Allotment*

^ Our Company, in consultation with the BRLMS, has undertaken a Pre-IPO Placement aggregating of 2,024,921 Equity Shares aggregating to ₹ 1,300.00 million. The size of the Fresh Issue of Equity Shares aggregating to ₹ 7,570.00 million has been reduced by ₹ 1,300.00 million pursuant to the Pre-IPO Placement and accordingly, the Fresh Issue comprises of 9,766,355 Equity Shares aggregating to ₹ 6,270.00 million.

(1) The Offer has been authorized by a resolution of our Board dated April 28, 2022, and a special resolution of our Shareholders dated April 28, 2022 .

(2) The Equity Shares being offered by the Promoter Selling Shareholder has been held for a period of at least one year immediately preceding the date of this Prospectus with SEBI, and are eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. The Promoter Selling Shareholder, has confirmed and authorized the Offer for Sale. For further information, please see the section entitled "Other Regulatory and Statutory Disclosures" on page 329.

(3) In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 500,000. The unsubscribed portion, if any, in the Employee Reservation Portion, shall be added to the Net Offer.

For further details, please see the section entitled "*The Offer*" on page 58.

Objects of the Offer

The Net Proceeds are proposed to be used in accordance with the details provided in the following table:

Particulars	Amount (in ₹ million)
Funding capital expenditure requirements for the Proposed Greenfield Project	1,630.00
Prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company	1,379.00
Funding working capital requirements of our Company	1,650.00
General corporate purposes*	1,275.56
Net Proceeds*	**5,934.56**

* *The amount utilized for general corporate purposes does not exceed 25% of the Net Proceeds.*

Aggregate pre-Offer Shareholding of Promoters (including Promoter Selling Shareholder), Promoter Group as a percentage of the paid-up Equity Share capital of our Company

The aggregate pre-Offer shareholding of Promoters (including Promoter Selling Shareholder) and Promoter Group as on the date of this Prospectus is as follows:

Name of Shareholder	Pre-Offer Equity Share Capital		Post-Offer Equity Share Capital	
	No. of Equity Shares	% of total shareholding	No. of Equity Shares	% of total shareholding
Promoters				
Purnima Ashwin Desai (Promoter Selling Shareholder)	34,877,403	30.40	32,057,403	25.75*
RAD Family Trust	20,017,162	17.45	20,017,162	16.08
AAD Business Trust	20,017,162	17.45	20,017,162	16.08
AJD Family Trust	13,560,206	11.82	13,560,206	10.89
PAD Family Trust	13,560,206	11.82	13,560,206	10.89
Ashwin Jayantilal Desai	6,720,417	5.86	6,720,417	5.40
Rohan Ashwin Desai	2,221,681	1.94	2,221,681	1.78
Dr. Aman Ashvin Desai	110,000	0.10	110,000	0.09
AAD Family Trust	-	-	-	-
Total holding of Promoters (A)	**111,084,237**	**96.83**	**108,264,237**	**86.96**
Promoter Group				
Ruchira Surendra Manjrekar	43,810	0.04	43,810	0.04
Surendra Keshav Manjrekar	43,810	0.04	43,810	0.04
Sourabh Manjrekar	29,210	0.03	29,210	0.02
Pooja Prayank Agarwal	23,370	0.02	23,370	0.02
Kamalvijay Ramchandra Tulsian	11,690	0.01	11,690	0.01
Total holding of the Promoter Group (other than Promoters) (B)	**151,890**	**0.14**	**151,890**	**0.13**
Total holding of Promoters and Promoter Group (A + B)	**111,236,127**	**96.97**	**108,416,127**	**87.09**

** Post considering impact of Offer for Sale*

Summary of Restated Financial Statements

A summary of the financial information of our Company as per the Restated Financial Statements is as follows:

(in ₹ million except otherwise stated)

Particulars	Nine months ended December 31,		Fiscal		
	2021	2020	2021	2020	2019
Equity Share capital	1,126.91	85.60	100.99	85.60	85.60

Particulars	Nine months ended December 31,		Fiscal		
	2021	2020	2021	2020	2019
Net worth	3,602.76	1,263.99	1,743.33	782.77	385.45
Revenue (total income)	4,493.15	3,373.41	4,537.89	3,037.81	2,032.77
Profit after tax	829.06	482.54	711.19	399.56	233.35
Earnings per share (basic and diluted)					
- Basic (in ₹)	7.45	5.12	7.36	4.24	2.48
- Diluted (in ₹)	7.45	5.12	7.36	4.24	2.48
Net asset value per Equity Share (in ₹)	31.97	13.42	15.69	8.31	4.09
Total borrowings*	2,347.30	2,058.03	2,082.00	1,704.89	1,261.27

** Including current and non-current borrowings*

Qualifications of the Statutory Auditors which have not been given effect to in the Restated Financial Statements

Our Statutory Auditors have not included any qualifications in the audit report that have not been given effect to in the Restated Financial Statements.

Summary of Outstanding Litigation

A summary of outstanding litigation proceedings involving our Company, our Promoters, our Directors and litigation involving our Group Companies which have a material impact on the Company, as on the date of this Prospectus is as follows:

Name of Entity	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material civil litigation	Aggregate amount involved (₹ in million)*
Company						
By the Company	Nil	Nil	Nil	Nil	Nil	Nil
Against the Company	Nil	3	Nil	Nil	Nil	20.97
Directors						
By the Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	2	Nil	Nil	Nil	86.94
Promoters						
By the Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Against the Promoters	Nil	2	Nil	Nil	Nil	86.94
Disciplinary action in the last five Fiscals	Nil	Nil	Nil	Nil	Nil	Nil

**To the extent quantifiable.*

For details in relation to the pending litigation involving our Group Companies that have a material impact on our Company, and for further details of the outstanding litigation proceedings involving the Company, Directors, Promoters, please see the section entitled "*Outstanding Litigation and Other Material Developments*" beginning on page 321.

Risk Factors

Specific attention of the investors is invited to "*Risk Factors*" on page 25 to have an informed view before making an investment decision.

Summary of Contingent Liabilities of our Company

A summary of our contingent liabilities as on December 31, 2021, as indicated in our Restated Financial Statements is as follows:

(in ₹ million)

Particulars	As of December 31, 2021
Bank Guarantees Issued for:	
Customs	8.89
Gujarat Gas Ltd.	15.35
DGVCL	23.70
Total Margin for above items	**11.45**
Raw Material LC	-
Raw Material FLC *(in US $ million)*	3.03
Total Margin for above items	**17.20**
Income Tax Demands:	
AY 2017-18 (PY 2016-17)	0.22
AY 2018-19 (PY 2017-18)	0.93
AY 2020-21 (PY 2019-20)	19.82

Notes:

(1) All the contingent liabilities are not 100% secured through cash margins placed with banks. The banks require 15% margin money on bank guarantees and 15% margin money on LC facilities

(2) The Income Tax Demands are under appeal by the Company and the outcome of the same is not known and hence the demand amount has been considered as contingent liability.

For details, please see the section entitled "*Restated Financial Statements –Note 38*" on page 257.

Summary of Related Party Transactions

A summary of related party transactions entered into by our Company with related parties are as follows:

(in ₹ million)

Nature of Transactions	Nine months ended December 31, 2021	Nine months ended December 31, 2020	Fiscal 2021	Fiscal 2020	Fiscal 2019
Rent Paid	7.20	6.35	8.75	4.20	1.24
Interest Paid	0.00	0.00	1.00	1.40	1.80
Loans Accepted	49.79	15.00	15.00	20.20	14.56
Managerial Remuneration	43.56	23.13	29.58	16.90	7.95
Purchase of Consumables	0.08	0.27	0.32	0.57	2.43
Purchase of Material for Building & Structure	7.62	1.85	4.56	4.30	0.00
ETP Expenses	41.40	19.57	32.37	21.65	7.31
Salary	4.88	3.15	4.55	0.00	0.00
CSR Activities	6.87	3.33	4.61	1.21	0.93

For details of the related party transactions and as reported in the Restated Financial Statements, please see the section entitled *"Financial Information"* beginning on page 219.

Financing Arrangements

There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our Directors and their relatives (as defined in Companies Act 2013) and the trustees of our Promoters have financed the purchase by any other person of securities of our Company other than in the normal course of business of such entity, during a period of six months immediately preceding the date of the Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.

Details of price at which Equity Shares and Preference Shares were acquired in the last three years preceding the date of this Prospectus

S. No.	Name of the acquirer/shareholder	Date of acquisition of Equity Shares/ Preference Shares	Number of Equity Shares/ Preference Shares acquired	Acquisition price per Equity Share	Acquisition price per Preference Share
Promoters (including the Promoter Selling Shareholder)					
1.	Ashwin Jayantilal Desai	February 6, 2021	110,763	162.51*	N. A.
		March 22, 2021	783,008	N. A.#	N. A.
		October 21, 2021	10,000	N. A.#	N. A.

S. No.	Name of the acquirer/shareholder	Date of acquisition of Equity Shares/ Preference Shares	Number of Equity Shares/ Preference Shares acquired	Acquisition price per Equity Share	Acquisition price per Preference Share
		November 10, 2021	1,807,642	N. A.#	N. A.
		November 15, 2021	1,364,258	N. A.#	N. A.
		November 15, 2021	100	N. A.#	N. A.
		November 16, 2021	100	N. A.#	N. A.
		November 17, 2021	6,109,470	N. A.^	N. A.
2.	Rohan Ashwin Desai	February 6, 2021	713,802	162.51*	N. A.
		March 22, 2021	1,290,811	N. A.#	N. A.
		November 15, 2021	100	N. A.#	N. A.
		November 17, 2021	2,019,710	N. A.^	N. A.
3.	Dr. Aman Ashvin Desai	March 22, 2021	1,290,912	N. A.#	N. A.
		November 17, 2021	100,000	N. A.^	N. A.
4.	Purnima Ashwin Desai	October 22, 2021	645,456	N. A.#	N. A.
		November 17, 2021	31,706,730	N. A.^	N. A.
5.	AJD Family Trust	November 15, 2021	656,263	N. A.#	N. A.
		November 16, 2021	576,483	N. A.#	N. A.
		November 17, 2021	12,327,460	N. A.^	N. A.
6.	PAD Family Trust	November 15, 2021	656,263	N. A.#	N. A.
		November 16, 2021	576,483	N. A.#	N. A.
		November 17, 2021	12,327,460	N. A.^	N. A.
7.	RAD Family Trust	November 15, 2021	656,263	N. A.#	N. A.
		November 16, 2021	1,163,479	N. A.#	N. A.
		November 17, 2021	18,197,420	N. A.^	N. A.
8.	AAD Business Trust	November 15, 2021	656,263	N. A.#	N. A.
		November 16, 2021	1,163,479	N. A.#	N. A.
		November 17, 2021	18,197,420	N. A.^	N. A.
Promoter Group					
1.	Ishita Surendra Manjrekar	October 21, 2021	713,802	N. A.#	N. A.
		October 28, 2021	645,456	N. A.#	N. A.
2.	Ruchira Surendra Manjrekar	November 27, 2021	43,810	642.00	N. A.
3.	Surendra Keshav Manjrekar	November 27, 2021	43,810	642.00	N. A.
4.	Sourabh Manjrekar	November 27, 2021	29,210	642.00	N. A.
5.	Kamalvijay Ramchandra Tulsian	November 27, 2021	11,690	642.00	N. A.
6.	Pooja Prayank Agarwal	November 27, 2021	23,370	642.00	N. A.

**Conversion price*
#Acquisition of Equity Shares pursuant to gift transfers
^Acquisition of Equity Shares pursuant to bonus issue

Weighted average price at which the Equity Shares were acquired by our Promoters (including Promoter Selling Shareholder) in the one year preceding the date of this Prospectus

The weighted average cost at which Equity Shares were acquired by our Promoters (including Promoter Selling Shareholder) in the one year preceding the date of this Prospectus is:

Name	Number of Equity Shares acquired	Weighted average cost (in ₹)*
Purnima Ashwin Desai	32,352,186	Nil
Rohan Ashwin Desai	4,024,423	28.82
Dr. Aman Ashvin Desai	1,390,912	Nil
Ashwin Jayantilal Desai	10,185,341	1.77
AJD Family Trust	13,560,206	Nil
PAD Family Trust	13,560,206	Nil
RAD Family Trust	20,017,162	Nil
AAD Family Trust	Nil	Nil
AAD Business Trust	20,017,162	Nil

** As per certificate issued by our Statutory Auditors dated May 27, 2022 .*

The weighted average cost of acquisition of all shares transacted (i) in the preceding three years, (ii) in the preceding one year, and (iii) in the preceding 18 months from the date of this Prospectus

Period	Weighted average cost of acquisition	Upper end of the price band (₹ 642) is 'X' times the weighted average cost of acquisition	Range of acquisition price: Lowest price – Highest price (in ₹)
Last one year	20.12	31.91	Nil - 642
Last three years	21.37	30.04	Nil - 642
Last 18 months	21.37	30.04	Nil - 642

Average Cost of Acquisition of Equity Shares

The average cost of acquisition per Equity Share to our Promoters (including the Promoter Selling Shareholder) as at the date of this Prospectus is:

Name	Number of Equity Shares held	Average cost of acquisition per Equity Share (in ₹)*
Purnima Ashwin Desai	34,877,403	2.08
Rohan Ashwin Desai	2,221,681	28.78
Dr. Aman Ashvin Desai	110,000	0.07
Ashwin Jayantilal Desai	6,720,417	1.78
AJD Family Trust	1,35,60,206	Nil
PAD Family Trust	1,35,60,206	Nil
RAD Family Trust	2,00,17,162	Nil
AAD Family Trust	Nil	Nil
AAD Business Trust	2,00,17,162	Nil

** As per certificate issued by our Statutory Auditors dated May 16, 2022 .*

Details of pre-Offer Placement

Our Company, in consultation with the BRLMS, has undertaken a Pre-IPO Placement of 2,024,921 Equity Shares aggregating to ₹ 1,300.00 million. The size of the Fresh Issue of Equity Shares aggregating to ₹ 7,570.00 million has been reduced by ₹ 1,300.00 million pursuant to the Pre-IPO Placement and accordingly, the Fresh Issue comprises of 9,766,355 Equity Shares aggregating to ₹ 6,270.00 million. For further details in relation to the Pre-IPO Placement, including the names of the allottees, see "*Capital Structure*" on page 75.

Issue of Equity Shares for consideration other than cash in the last one year

Except for the bonus allotment made on November 17, 2021, our Company has not issued any Equity Shares in the last one year from the date of this Prospectus, for consideration other than cash.

For further details, see "*Capital Structure –Issue of shares for consideration other than cash*" beginning on page 78.

Split / Consolidation of Equity Shares in the last one year

Our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Prospectus.

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.

SECTION III: RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Prospectus, including the risks and uncertainties described below before making an investment in the Equity Shares.

We have described the risks and uncertainties that we consider material, but these risks and uncertainties may not be the only risks relevant to us, the Equity Shares, or the industry in which we currently operate or propose to operate. Unless specified or quantified in the relevant risk factor below, we are not in a position to quantify the financial or other implication of any of the risks mentioned in this section. If any or a combination of the following risks actually occur, or if any of the risks that are currently not known or deemed to be not relevant or material now actually occur or become material in the future, our business, cash flows, prospects, financial condition and results of operations could suffer, the trading price of the Equity Shares could decline, and you may lose all or part of your investment. For more details on our business and operations, see "Our Business", "Industry Overview", "Key Regulations and Policies in India" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 153, 115, 184 and 282, respectively, as well as other financial information included elsewhere in this Prospectus. In making an investment decision, you must rely on your own examination of us and the terms of the Offer, including the merits and risks involved, and you should consult your tax, financial and legal advisors about the particular consequences of investing in the Offer. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment which may differ in certain respects from that of other countries.

This Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward- looking statements as a result of certain factors, including but not limited to the considerations described below. For details, see "Forward-Looking Statements" on page 17.

Unless otherwise indicated, industry and market data used in this section has been derived from the F&S Report prepared and released by Frost & Sullivan and commissioned and paid for by us in connection with the Offer. Unless otherwise indicated, all financial, operational, industry and other related information derived from the F&S Report and included herein with respect to any particular year, refers to such information for the relevant year.

Our fiscal year ends on March 31 of each year, and references to a particular fiscal period are to the twelve months ended March 31 of that year. Unless otherwise specified or as the context requires, financial information for the nine months ended December 31, 2021 and for Fiscal 2019, Fiscal 2020 and Fiscal 2021 is derived from our Restated Financial Statements, which are included in this Prospectus.

Unless otherwise stated, references to "the Company", "our Company", "we", "us", and "our" are to Aether Industries Limited.

To the extent the COVID-19 pandemic adversely affects our business and financial results, it may also have the effect of heightening many of the other risks described in this section, such as those relating to the Indian economy, interest rates and inflation and operational risks relating to the Company.

Risks Relating to our Business

1. ***The Offer Price, market capitalization to total revenue multiple and price to earnings ratio based on the Offer Price of our Company, may not be indicative of the market price of the Equity Shares on listing or thereafter.***

Our total revenue and profit after tax (i) for Fiscal 2021 was ₹4,537.89 million and ₹711.19 million, respectively; and (ii) for the nine months ended December 31, 2021 was ₹4,493.15 million and ₹829.06 million, respectively; and the market capitalization (product of post Offer outstanding Equity Shares and Offer Price of ₹ 642 per Equity Share) to total revenue (Fiscal 2021) multiple is 17.61 times and the price to earnings Ratio (based on diluted EPS for Fiscal 2021); is 87.23 at the upper end of the Price Band. For further details, see "*Basis for Offer Price*" on page 106. The Offer Price of the Equity Shares is proposed to be determined on the basis of assessment of market demand for the Equity Shares offered through a book-building process, and certain quantitative and qualitative factors as set out in the section titled "*Basis for Offer Price*" on page 106. The Offer Price, multiples and ratios may not be indicative of the market price of the Equity Shares on listing or thereafter. The relevant financial parameters based on which the Price Band would be determined, shall be disclosed in the advertisement that would be issued for publication of the Price Band.

Prior to the Offer, there has been no public market for the Equity Shares. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares.

The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India and international markets, regulatory amendments, strategic alliances, COVID-19 related or similar situations, volatility in the securities markets in India and other jurisdictions, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

2. ***Our business is dependent and will continue to depend on our manufacturing facilities, and we are subject to certain risks in our manufacturing process. Any slowdown or shutdown in our manufacturing operations or strikes, work stoppages or increased wage demands by our employees that could interfere with our operations could have an adverse effect on our business, financial condition and results of operations.***

We conduct our operations through two manufacturing facilities at Sachin in Surat, Gujarat. Our Manufacturing Facility 1 is an approximately 3,500 square meters facility for our R&D activities, our analytical sciences, our pilot plant, our CRAMS facility and our hydrogenation facility. Our Manufacturing Facility 2 is an approximately 10,500 square meter facility and acts as a large scale production facility. Our Manufacturing Facility 2 also includes our Registered and Corporate Office. Our business is dependent upon our ability to manage our manufacturing facilities, which are subject to various operating risks, including those beyond our control, such as the breakdown, failure of equipment or industrial accidents, severe weather conditions and natural disasters. Any significant malfunction or breakdown of our machinery, our equipment, our reactors, our automation systems, our IT systems or any other part of our manufacturing processes or systems (together, our "**Manufacturing Assets**") may entail significant repair and maintenance costs and cause delays in our operations. While we have not had such instances during the last three financial years (Fiscal 2019 to Fiscal 2021) where our Company was affected, we cannot assure you that we shall not experience any malfunction or breakdown of our Manufacturing Assets in the future. If we are unable to repair Manufacturing Assets in a timely manner or at all, our operations may need to be suspended until we procure the appropriate Manufacturing Assets to replace them. In addition, we may be required to carry out planned shutdowns of our facilities for maintenance, statutory inspections, customer audits and testing, or may shut down certain facilities for capacity expansion and equipment upgrades.

As of March 31, 2022, we had 719 employees (excluding trainees) and more than 150 contract workers and trainees. Success of our operations depend on availability of labour and good relationships with our labour force. As of the date of this Prospectus, our employees are not members of any organised labour unions. Strikes and lockouts as a result of disputes with our labour force may adversely affect our operations. While we have not had instance of strikes, lockouts or labour disputes in the past, we cannot assure you that we shall not experience any strikes or lockouts on account of labour disputes in the future. Such events could disrupt our operations and may have a material adverse effect on our business, financial condition and results of operations. In addition, we also may face protests from local citizens at our existing facilities or while setting up new facilities, which may delay or halt our operations.

Further, we may be subject to manufacturing disruptions due to contraventions by us of any of the conditions of our regulatory approvals, which may require our manufacturing facilities to cease, or limit, production until the disputes concerning such approvals are resolved.

Although we have not experienced any significant disruptions at our manufacturing facilities in the past, we cannot assure you that there will not be any disruptions in our operations in the future. Our inability to effectively respond to such events and rectify any disruption, in a timely manner and at an acceptable cost, could lead to the slowdown or shutdown of our operations or the under-utilization of our manufacturing facilities, which in turn may have an adverse effect on our business, financial condition and results of operations.

3. ***We are subject to certain risks consequent to our operations involving the manufacture, usage and storage of various hazardous substances.***

Our manufacturing processes involve manufacturing, storage and transportation of various hazardous substances such as phenol, hydrogen, ethylene oxide, isobutylene gas, tetrahydrofuran, methanol, toluene and methylene dichloride amongst others, and we are required to obtain approvals from various authorities for storing hazardous substances. We are subject to operating risks associated with handling of such hazardous materials such as possibility for leakages and ruptures from containers, explosions, and the discharge or release of toxic or hazardous substances, which in turn may cause personal injury, property damage and environmental contamination. While we have not had such instances during the last three financial years (Fiscal 2019 to Fiscal 2021) where our Company was affected, we cannot assure you that we will not experience operating risks associated with handling of such hazardous materials in the future. In the event of occurrence of any such accidents, our business operations may be interrupted. Any of these occurrences may result in the shutdown of one or more of our manufacturing facilities and expose us to civil and / or criminal liability which could have an adverse effect on our business, financial condition and results of operations. Further, such occurrences may result in the termination of our approvals for storing such substances or penalties thereunder. Moreover, certain environmental laws impose strict liability for accidents and damages resulting from hazardous substances and any failure to comply with such laws may lead to closure, penalties, fines and imprisonment.

4. ***We derive a significant part of our revenue from major customers and we do not have long term contracts with all of these customers. If one or more of such customers choose not to source their requirements from us or to terminate our long-term contracts, our business, financial condition and results of operations may be adversely affected.***

Our customer base currently comprises a host of multinational and domestic companies. Of our gross revenue from operations in the nine months ended December 31, 2021 and Fiscal 2021, our largest customer contributed approximately 13.52% and 19.38%, respectively. Revenue from our top 20 customers and contribution of our top 20 customers to revenue from operations is as below:

Fiscal/ Period	Revenue from top 20 customers (amount in ₹ million)	% contribution of top 20 customers to revenue from operations
2019	1,606.04	79.83%
2020	2,255.97	74.75%
2021	3,306.30	73.50%
December 31, 2021	3,227.52	72.93%

We expect that we will continue to be reliant on our major customers for the foreseeable future. Accordingly, any failure to retain these customers and/or negotiate and execute contracts on terms that are commercially viable, with these select customers, could adversely affect our business, financial condition and results of operations. In addition, any defaults or delays in payments by a major customer or the insolvency or financial distress by a major customer may have an adverse effect on business, financial condition and results of operations. While there have been no past instances during the last three financial years (Fiscal 2019 to Fiscal 2021) of any defaults or delays in payments by a major customer or the insolvency or financial distress by a major customer, we cannot assure you that we will not experience such risks in future.

We have a number of supply contracts with customers for three to five years duration which are linked to a formula-based pricing structure. Our supply contracts entered may be terminated at the end of their terms or on the basis of the notice provided by the customer to us. Such terminations, however, is done on mutual discussion between our Company and the Customers. Notwithstanding, the termination of supply contracts could adversely affect our business, financial condition and results of operations.

For other customers, we instead rely on purchase orders to govern the volume and other terms of our sales of products. Many of the purchase orders we receive from our customers specify a price per unit and delivery schedule. However, such orders may be amended or cancelled prior to finalisation, and should such an amendment or cancellation take place, it may adversely impact our production schedules and inventories.

Cancellation by customers or delay or reduction in their orders or instances where anticipated orders fail to materialize can result in mismatch between our inventories of raw materials and of manufactured products, thereby increasing our costs relating to maintaining our inventory and reduction of our margins, which may adversely affect our profitability and liquidity. Further, we may not find any customers or purchasers for the surplus or excess capacity, in which case we would be forced to incur a loss. Further, our inability to find customers for surplus products may result in excessive inventories which may become obsolete and may be required to be written off in the future.

Additionally, our customers have high and stringent standards for product quality and quantity as well as delivery schedules. Any failure to meet our customers' expectations could result in the cancellation or non-renewal of contracts or purchase orders. While there have been no instances during the last three financial years (Fiscal 2019 to Fiscal 2021) of failure by us to meet industry standards in relation to product quality or delivery schedules, we cannot assure you that any such event will not occur in future. There are also a number of factors, other than our performance that could cause the loss of a customer, which include those customers who may demand price reductions, set-off any payment obligations, require indemnification for themselves or their affiliates, or replace their existing products with alternative products, any of which may have an adverse effect on our business, financial condition, results of operations and prospects.

5. ***Our insurance coverage may not adequately protect us against all losses or the insurance cover may not be available for all the losses as per the insurance policy, which could adversely affect business, financial condition and results of operations.***

Our operations are subject to various risks inherent to the chemicals industry and to the sale and maintaining inventory of products, as well as other risks such as theft, robbery, acts of terrorism and other force majeure events. We maintain insurance coverage for anticipated risks which are standard for our type of business and operations. As of December 31, 2021, March 31, 2021, March 31, 2020 and March 31, 2019, we had a total insurance coverage of ₹6,028.00 million, ₹4,301.76 million, ₹3,237.77 million and ₹1,827.96 million, respectively, aggregating in each case to 100% or more of our total fixed assets and inventories. Our insurance policies cover our manufacturing facilities, R&D facilities, warehouses and offices from losses in the case of natural calamities, fire, special perils, burglary and theft. We have also obtained inventory insurance for our products, insurance for liabilities and losses incurred during implementation of our various projects, and directors' and officers' liability insurance. We have also obtained the Commercial General Liability Insurance, which protects us for the damages which may occur to any neighbouring companies / industries or any other third party from any kind of adverse event that may occur. We have obtained various insurance policies covering the life and health of our employees. Further, we have also taken insurance for the cyber-crime and criminal policy. All our incoming and outgoing material (for purchase and sales) from / to anywhere in the world are fully insured. We have also covered our equipment like mobile phones, laptops, computers and other gadgets by an equipment policy. There are many events that could significantly impact our operations, or expose us to third-party liabilities, for which we may not be adequately insured. There can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part, or on time. To the extent that we suffer any loss or damage that is not covered by insurance or exceeds our insurance coverage, our business, financial condition and results of operations could be adversely affected. For further details of insurance, see "*Our Business*" on page 153.

6. ***We will not receive any proceeds from the Offer for Sale. The Promoter Selling Shareholder will receive the net proceeds from the Offer for Sale.***

The Offer consists of a Fresh Issue and an Offer for Sale. The Promoter Selling Shareholder shall be entitled to the net proceeds from the Offer for Sale, which comprise proceeds from the Offer for Sale net of Offer expenses shared by the Promoter Selling Shareholder, and our Company will not receive any proceeds from the Offer for Sale.

7. ***Non-compliance with and changes in, safety, health, environmental and labour laws and other applicable regulations, may adversely affect our business, financial condition and results of operations. We have, in the past, failed to make a regulatory filing in a timely manner with the MCA under applicable law.***

We are subject to laws and government regulations, including in relation to safety, health, environmental protection and labour, please refer to "*Key Regulations and Policies in India*" on page 184 of the RHP for such laws. These laws and regulations impose controls on air and water discharge, noise levels, storage handling, processing, handling, storage, transport or disposal of hazardous substances including employee exposure to hazardous substances and other aspects of our manufacturing operations. Further, our products, including the process of manufacture, storage and distribution of such products, are subject to numerous laws and regulations in relation to quality, safety and health. We handle and use hazardous materials in our R&D and manufacturing activities and the improper handling or storage of these materials could result in accidents, injure our personnel, property and damage the environment. Any accident at our facilities may result in personal injury or loss of life, substantial damage to or destruction of property and equipment resulting in the suspension of operations. Further, laws and regulations may limit the amount of hazardous and pollutant discharge that our manufacturing facilities may release into the air and water. The discharge of materials that are chemical in nature or of other hazardous substances into the air, soil or water beyond these limits may cause us to be liable to regulatory bodies or third parties. Any of the foregoing could subject us to legal proceedings, which could lower our profits in the event we were found liable and could also adversely affect our reputation. Additionally, the government or the relevant regulatory bodies may require us to shut down our manufacturing plants, which in turn could lead to product shortages that delay or prevent us from fulfilling our obligations to customers.

Our operations, particularly at our manufacturing plants, are subject to stringent scrutiny, inspection and audit from third party environmental agencies, including governmental authorities to ensure our compliance with applicable laws and regulations. While we have not received any notice stemming from any scrutiny, inspection, audit or otherwise from any regulatory authorities, we cannot assure you that no notices will be issued by any regulatory authority in the future. Moreover, these notices may also culminate in legal proceedings in the future, for which, we cannot assure you that fines, penalties or damages will not be imposed on us pursuant to such notices.

Furthermore, if the authorities deem that our responses do not sufficiently address the concerns raised in these notices, there is also a possibility that the environmental authorities may cancel, suspend or withdraw the approvals, permits or consents granted to us or may order the closure of the manufacturing unit until the concerns are sufficiently addressed or remedied. In the event that such environmental notices result in litigations, fines or the cancellation of our licenses, it could adversely affect our business, financial condition and results of operations.

We are also required to obtain permits from governmental authorities for certain aspects of our operations. These laws, regulations and permits often require us to purchase and install expensive pollution control equipment or to make operational changes to limit impacts or potential impacts on the environment and/or health of our employees. Further, our compliance with these laws and regulations and our obtaining the necessary governmental permits are often a prerequisite for customer orders.

We have in the past delayed in making certain regulatory filings under applicable law beyond the prescribed timelines. A Form MGT-14 was initially filed on January 28, 2016 ("**Initial Form MGT-14**") with the MCA for a special resolution passed by the Shareholders in their EGM held on January 12, 2016, in connection with the issuance of 25,000,000 8% cumulative redeemable preference shares under section 42 and 61(1)(c) of the Companies Act. Thereafter, the Initial Form MGT-14 was rectified to 25,000,000 8% cumulative redeemable preference shares, optionally convertible in nature, under section 42, 55 and 61(1)(c) of the Companies Act, which inadvertently contained a clerical error of omitting the terms of conversion of the Preference Shares in the special resolution attached to the Initial Form MGT14. An application for correction therein was filed through Form CG-1 with the MCA on December 4, 2021 requesting: a) condonation of the said delay under the Companies Act, 2013 and b) that the RoC be directed to register the rectified extracts of the special resolution dated January 12, 2016 along with a new Form MGT-14. Subsequently, the aforementioned forms CG-1, INC-28 and MGT-14 are now approved and registered with the RoC as per order of CG-1.

With the expansion of our operations there can be no assurance that such non-compliances will not arise, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such non-compliances, in a timely manner or at all. For further details in connection with the Preference Shares, see "*Capital Structure – Notes to Capital Structure – 5. Preference Share Capital History of our Company*" on page 78.

We are also subject to the laws and regulations governing employees, including in relation to minimum wage and maximum working hours, overtime, working conditions, hiring and termination of employees, contract labour and work permits. We have incurred and expect to continue incurring costs for compliance with such laws and regulations. We have also made and expect to continue making capital expenditures on an on-going basis to comply with all applicable environmental, health and safety and labour laws and regulations. These laws and regulations have, however, become increasingly stringent and it is possible that they will become significantly more stringent in the future. We cannot assure you that we will not be found to be in non-compliance with, or remain in compliance with all applicable environmental, health and safety and labour laws and regulations or the terms and conditions of any consents or permits in the future or that such compliance will not result in a curtailment of production or a material increase in the costs of production.

8. ***Grants of stock options under our employee stock option plans may result in a charge to our statement of profit loss and, to that extent, adversely affect our business, financial condition and results of operations.***

We may issue stock option from time to time under our employee stock option plans and such issuances may result in a charge to our statement of profit & loss under Ind-As and any such charge may have an adverse effect on affect our business, financial condition and results of operations. For further details, see "*Capital Structure – Employee Stock Option Plans*" on page 87.

9. ***Our contingent liabilities could materially and adversely affect our business, results of operations and financial condition.***

A summary of our contingent liabilities as on December 31, 2021, as indicated in our Restated Financial Statements is as follows:

(in ₹ million)

Particulars	As of December 31, 2021
Bank Guarantees Issued for:	
Customs	8.89
Gujarat Gas Ltd.	15.35
DGVCL	23.70
Total Margin for above items	**11.45**
Raw Material LC	0.00
Raw Material FLC *(in US $ million)*	3.03
Total Margin for above items	**17.20**
Income Tax Demand:	
AY 2017-18 (PY 2016-17)	0.22
AY 2018-19 (PY 2017-18)	0.93
AY 2020-21 (PY 2019-20)	19.82

Notes:

(1) *All the contingent liabilities are not 100% secured through cash margins placed with banks. The banks require 15% margin money on bank guarantees and 15% margin money on LC facilities*

(2) *The Income Tax Demands are under appeal by the Company and the outcome of the same is not known and hence the demand amount has been considered as contingent liability.*

For further information, see "*Restated Financial Statements – Note 38*" on page 257.

Most of the liabilities have been incurred in the normal course of business. If these contingent liabilities were to fully materialize or materialize at a level higher than we expect, it may materially and adversely impact our business, financial condition and results of operations. If we are unable to recover payment from our customers in respect of the commitments that we are called upon to fulfil, our business, financial condition and results of operations may be materially and adversely impacted.

10. A portion of the Net Proceeds may be utilized for repayment or pre-payment of loans taken from HDFC Bank Limited, which is one of the Book Running Lead Managers.

We propose to repay or pre-pay loans availed by our Company from HDFC Bank Limited from the Net Proceeds. HDFC Bank Limited, is one of our Book Running Lead Managers and is not an associate of our Company in terms of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992. The loan sanctioned to our Company by HDFC Bank Limited was done as part of their lending activities in the ordinary course of business and we do not believe that there is any conflict of interest under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, or any other applicable SEBI rules or regulations. The Board of Directors of our Company has chosen the loans and facilities to be repaid/prepaid based on commercial considerations. For further details see "*Objects of the Offer*" on page 92.

11. Any downgrade of our debt ratings could adversely affect our business.

As of the date of this Prospectus, we have received the following credit ratings on our debt and credit facilities.

Instrument or Rating Type	Amount (₹ in million)	Date	Ratings
Long Term Fund Based Facilities	1,635.90	January 10, 2022	CRISIL A-/STABLE (Reaffirmed)
Short Term Non Fund Based Facilities	1,114.10	January 10, 2022	CRISIL A2+ (Reaffirmed)

These ratings assess our overall financial capacity to pay our obligations and are reflective of our ability to meet financial commitments as they become due. There can be no assurance that these ratings will not be revised or changed by the above rating agencies due to various factors, including on account of the COVID-19 pandemic. Any downgrade in our credit ratings may increase interest rates for refinancing our outstanding debt, which would increase our financing costs, and adversely affect our future issuances of debt and our ability to raise new capital on a competitive basis.

12. Our inability to successfully implement some or all our business strategies in a timely manner or at all could have an adverse effect on our business.

As part of our strategy aimed towards business growth and improvement of market position, we intend to implement several business strategies, which include:

- Leverage our strong position in the specialty chemicals industry to capitalize on industry opportunities;
- Expand our product portfolio and diversify into additional business segments
- Expand manufacturing, R&D and pilot plant capacities;
- Continue to strengthen our presence in India and expand our sales and distribution network in international markets;
- Continue to focus on contract manufacturing / exclusive manufacturing by developing innovative processes and value engineering;
- Growth through strategic acquisitions and alliances.

Our strategy may not succeed due to various factors, including our inability to reduce our debt and our operating costs, our failure to develop new products and services with sufficient growth potential as per the changing market preferences and trends, our failure to execute agreements with our technology and strategic partners, our failure to effectively market these new products and services or foresee challenges with respect to our business initiatives, our failure to sufficiently upgrade our infrastructure, machines, automation, equipment and technology as required to cater to the requirement of changing demand and market preferences, our failure to maintain highest quality and consistency in our operations or to ensure scaling of our operations to correspond with our strategy and customer demand, changes in GoI policy or regulation, our inability to respond to regular competition, and other operational and management difficulties. While we believe we have been largely successful in implementing our business strategies, any failure on our part to implement our strategy due to many reasons as attributed aforesaid could be detrimental to our long-term business outlook and our growth prospects and may materially adversely affect our business, financial condition and results of operations. For further details of our strategies, see "*Our Business*" on page 153.

13. Our reliance on certain industries for a significant portion of our sales could have an adverse effect on our business.

Generally, our intermediates and specialty chemicals cater to the various industries such as the pharmaceuticals industry, agrochemicals industry and oil and gas industry, as well as the industries catering to material science, food additives, coatings and high performance photography. Consequently, our revenues are dependent on the end user industries that use our products as an input. The table set forth below provides customer segment split of our gross revenue from operations and as a percentage of gross revenue from operations in the nine months ended December 31, 2021 and Fiscal 2021, Fiscal 2020 and Fiscal 2019.

Customer Segment	**Nine months ended December 31, 2021**		**Fiscal 2021**		**Fiscal 2020**		**Fiscal 2019**	
	₹ million	% of gross revenue	₹ million	% of gross revenue	₹ million	% of gross revenue	₹ million	% of gross revenue
Pharmaceuticals	2,770.51	62.60%	3,041.90	67.62%	2,454.50	81.33%	1,252.70	62.27%
Agrochemicals	1,017.61	22.99%	926.50	20.60%	257.50	8.53%	447.10	22.22%
Material Science	188.00	4.25%	195.90	4.36%	46.30	1.53%	94.60	4.70%
High Performance Photo	171.26	3.87%	125.80	2.80%	57.90	1.92%	11.70	0.58%
Coatings	154.36	3.49%	124.80	2.77%	0.55	0.02%	66.00	3.28%
Multiple Use	27.70	0.63%	56.70	1.26%	138.90	4.60%	43.60	2.17%
Food Additives	0.00	0.00%	0.60	0.01%	1.60	0.05%	1.00	0.05%
Oil & Gas	53.54	1.21%	0.00	0.00%	26.50	0.88%	66.00	3.28%
Other	42.46	0.96%	25.96	0.58%	34.31	1.14%	29.10	1.45%
Total	**4,425.44**	**100.00%**	**4,498.16**	**100.00%**	**3,018.06**	**100.00%**	**2,011.80**	**100.00%**

Factors affecting any of these industries in general, or any of our customers in particular, could have a cascading adverse effect on our business, financial condition and results of operations. Such factors include, but are not limited to, the following:

a. seasonality of demand for our customers' products, which may cause our manufacturing capacities to be underutilised during specific periods;
b. our customers' failure to successfully market their products or to compete effectively;
c. change in any registration requirements or non-renewal of registrations or imposition of a regulatory ban, or trade sanctions imposed across the country or any such restrictions on the business or product or customer's final product;
d. loss of market share, which may lead our customers to reduce or discontinue the purchase of our products;
e. economic conditions of the markets in which our customers operate;
f. regulatory issues faced by these industries in India and internationally;
g. downturns or industry cycles that impact demand; and
h. changes in technology or consumer tastes and requirements that alter demands for our products.

For any of the above reasons or for any other reason whatsoever, in the event sales to our customers were to substantially decrease, our business, financial condition and results of operations could be adversely affected.

14. We rely on a combination of trade mark, trade secret, copyright law and contractual restrictions to protect our intellectual property. We do not own any patents. If we are unable to protect our intellectual property rights, our business, financial condition and results of operations may be adversely affected.

The protection of our intellectual property is crucial to the success of our business. We rely on a combination of trademark, trade secret, and copyright law and contractual restrictions to protect our intellectual property. We do not own any patents. While our agreements with our employees and consultants who develop our intellectual property including our proprietary intermediates and specialty chemical products, technology, systems and processes on our behalf include confidentiality provisions and provisions on ownership of intellectual property developed during employment or specific assignments, as applicable, these agreements may not effectively prevent unauthorized use or disclosure of our confidential information, our intellectual property including our proprietary products, technology, systems and processes and may not provide an adequate remedy in the event of unauthorized use or disclosure of our confidential information or infringement of our intellectual property. Despite our efforts to protect our proprietary rights, unauthorized parties may copy aspects of our proprietary products, technology, systems and processes and use information that we consider proprietary. In addition, unauthorized parties may also attempt, or successfully endeavor, to obtain our intellectual property, confidential information, and trade secrets through various methods, including through cybersecurity attacks, and legal or other methods of protecting this data may be inadequate. In addition, our trade secrets may become known or independently developed by our competitors, and in such cases, we may no longer enjoy the exclusive use of some of our formulations or maintain the confidentiality of information relating to our products.

We may need to litigate to protect our intellectual property or to defend against third party infringement. Any such litigation could be time consuming and costly and the outcome cannot be guaranteed. We may not be able to detect any unauthorised use or take appropriate and timely steps to enforce or protect our intellectual property. Any inability to use or protect our intellectual property could affect our relationships with our customers, which could materially and adversely affect our brand, business, financial condition and results of operations.

15. Exchange rate fluctuations may adversely affect our results of operations as our sales from exports and a portion of our expenditures are denominated in foreign currencies.

Our financial statements are prepared in Indian Rupees. However, our sales from exports and a portion of our raw materials expenditures are denominated in foreign currencies, mostly the U.S. Dollars. Accordingly, we have currency exposures relating to buying and selling in currencies other than in Indian Rupees, particularly the U.S. Dollar. During the nine months ended December 31, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019, our gross revenues from our exports (excluding deemed exports) amounted to ₹2,162.77 million, ₹2,278.25 million, ₹1,295.81 million and ₹918.26 million, respectively, which constituted 48.87%, 50.65%, 42.94% and 45.64%, respectively, of our gross revenues from operations. Further, during the nine months ended December 31, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019, the cost of raw material imports was ₹790.96 million, ₹1,062.49 million, ₹804.07 million and ₹471.16 million, respectively, which constituted 30.63%, 47.47%, 45.59% and 39.85%, respectively, as a percentage of overall raw material purchase cost. Therefore, changes in the relevant exchange rates could also affect sales, operating results and assets and liabilities reported in Indian Rupees as part of our financial statements. We are affected primarily by fluctuations in exchange rates among the U.S. dollar and the Indian Rupee, and our business, results of operations and financial condition may be adversely affected by fluctuations in the value of the Indian Rupee against the U.S. Dollar or other foreign currencies. Additionally, we have earned gains due to these fluctuations in foreign currency in the nine months ended December 31, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019 of ₹21.51 million, ₹18.32 million, ₹8.84 million and ₹11.59 million, respectively. These gains were related to instances where the market exchange rate at the time of transaction was in our favour or against us as compared to the rates we had applied when the transactions were accounted. For further information on our exchange rate risk management, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Principal Factors Affecting our Results of Operations – Foreign Exchange Rate Risk*".

16. We are dependent on our R&D activities for our future success. If we do not successfully develop new products or continue our product portfolio expansion in a timely and cost-effective manner, our business, financial condition, cash flows and results of operations may be adversely affected.

We are dependent on our R&D activities and scientists at our R&D facilities for our future success. In the nine months ended December 31, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019, our R&D expenses (capital as well as revenue) were ₹242.47 million, ₹192.83 million, ₹120.92 million and ₹52.91 million, respectively, which represented 5.40%, 4.25%, 3.98% and 2.60% of our total income, respectively. In addition, in the nine months ended December 31, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019, our capital expenditure on R&D was ₹136.04 million, ₹79.38 million, ₹39.43 million and ₹22.42 million, respectively. Our future results of operations depend, to a significant degree, on our ability to successfully develop new products and continue our product portfolio expansion in a timely and cost-effective manner. Our future results of operations depend, to a significant degree, on our ability to successfully develop new products and continue our product portfolio expansion in a timely and cost-effective manner. In addition , our CRAMs business is dependent our R&D capabilities to assist our customers on their projects including development of their products. Further, as part of our business strategies, we intend to further diversify our product portfolio by entering into new product value chains. In addition, we intend to expand our capacities in existing products as well as expanding and strengthening our research capabilities in order to ensure rapid product innovation. Innovation continues to be the key determinant for our success. The development and commercialisation of new products (whether ours or our customers' products) are complex, time-consuming, costly and involves a high degree of business risk. We may be unable to successfully create these new products or encounter unexpected delays in the launch of these products and even if launched as planned, such products may not perform as we expect.

The success of our new product offerings will depend on several factors, including our ability to properly anticipate customer needs; obtain timely regulatory approvals; establish collaborations with suppliers and customers; develop and manufacture our products in a timely and cost-effective manner through our R&D efforts; and successfully market and sell our products. In addition, the development and commercialisation of new products is characterised by significant upfront costs, including costs associated with R&D, product development activities, obtaining regulatory approvals, building inventory and sales and marketing. Our planned investments in new manufacturing facilities and equipment for future expansion could result in higher costs, especially in the event of cost overruns, without a proportionate increase in revenues.

Additionally, some of our competitors in the speciality chemicals segment may have greater financial, research and technological resources. They may also be in a better position to identify market trends, adapt to changes in industry and offer innovative new products.

Accordingly, if we do not successfully develop new products or continue our product portfolio expansion in a timely, cost-effective manner that is attractive to our customers, our business, financial condition, cash flows and results of operations may be adversely affected.

17. ***The impact of the COVID-19 pandemic is uncertain and still evolving, and could adversely affect our business, financial condition and results of operations.***

In December 2019, a human infection was traced to a novel strain of coronavirus (also known as COVID-19) and has since spread to over 200 countries and territories. The outbreak of COVID-19 was declared a pandemic by the World Health Organization on March 11, 2020, and as of the date of this Prospectus, it is still ongoing and rapidly evolving. The GoI initiated a nation-wide lockdown from March 24, 2020 that lasted until May 31, 2020, and has been extended periodically by varying degrees by state governments and local administrations. Although the nationwide lockdown was lifted on June 1, 2020, restrictions on non-essential activities and travel were imposed until August 31, 2020 in multiple states across specific districts that were witnessing increases in COVID-19 cases. The second wave of COVID-19 infections impacted India in April, May and June 2021. The second wave resulted in significant strain on the health infrastructure in the country resulting in several states announcing lockdown measures. The second wave also resulted in a large part of the population working from home and implementing social distancing measures. In June 2021, the COVID-19 reported cases from the second wave declined and the GoI and state governments started gradually easing some of the strict precautionary measures.

Globally, border controls, travel restrictions and quarantine measures have been imposed by various countries in an effort to contain the spread of the COVID-19 outbreak, which have resulted in a period of business disruption as well as restrictions on business activity and the movement of people comprising a significant portion of the world's population, and a decrease in economic activity in a number of countries, including India. Moreover, there is no assurance that such measures will be effective in ending or restricting the spread of COVID-19, and many countries have experienced further COVID19 outbreaks even after such measures had been eased.

The COVID-19 pandemic has also resulted in economic challenges driven by labour shortage, logistics disruptions and reduced demand. As a result, many industries have been exposed to disruptions in carrying out business operations, resulting in loss of business and reduction in cash flows, which has created stress in different sectors of the economy. Any downturn in the macroeconomic environment in India could also adversely affect our business, results of operation, financial condition and prospects.

As we produce intermediates and specialty chemicals for the pharmaceutical industry and use continuous reaction technologies in manufacturing activities for various products, our manufacturing and research and development activities were determined by the GoI to be essential, which allowed us to continue our operations during the nationwide lockdown. However, restrictions on manpower movement during the lockdown impacted our manufacturing operations and capacity expansion projects, as well as increased our operation costs. We implemented health and safety measures for our manufacturing site employees, including the provision of lodging, boarding, food and other essential arrangements. Such measures allowed our employees to stay at or near our manufacturing facilities, thereby decreasing health risks associated with travel and commuting. Our manufacturing facilities, therefore, continued to operate normally during the first and second waves of COVID-19 infections. During Fiscal 2021, which covered the first wave of COVID-19 from April 2020 to June 2020, we paid additional wages to our employees (for example, to compensate employees who lived far from our manufacturing facilities and were unable to commute) in the amount of ₹7.94 million and incurred additional expenses in the amount of ₹3.17 million towards food, lodging and other expenses for the workers. During the nine months ended December 31, 2021, which covered the second wave of COVID-19, we paid additional wages to our employees in the amount of ₹5.77 million and incurred additional expenses in the amount of ₹1.48 million towards food, lodging and other expenses for these workers. In addition, we were affected in a certain extent by the worldwide logistics issues during the COVID-19 pandemic and we can make no assurance that logistics issues will not further worsen as the pandemic continues.

The extent to which the COVID-19 pandemic, and the related global economic impact, affect our business, financial condition and results of operations will depend on future developments that are highly uncertain and cannot be predicted, including the spread, scope and duration of the COVID-19 pandemic and any recovery period, the effectiveness of further steps taken by the GoI and the RBI to mitigate the economic impacts in response to the pandemic, the effects on our customers, counterparties, employees and third-party service providers, and the time it takes for economic activities to return to pre-pandemic levels. As of the date of this Prospectus, there is significant uncertainty relating to the severity of long-term adverse impact of the ongoing COVID-19 pandemic on the domestic and global economy, domestic and global financial markets, and we are unable to accurately predict the long-term impact of the COVID-19 pandemic on our speciality chemicals business. To the extent that the

COVID-19 pandemic adversely affects our business and operations, it may also have the effect of heightening many of the other risks described in this section.

18. Certain sections of this Prospectus contain information from the F&S Report which we commissioned and purchased and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.

Certain sections of this Prospectus include information based on, or derived from, the F&S Report or extracts of the F&S Report commissioned by our Company exclusively for the purpose of the Offer pursuant to letter of agreement dated August 24, 2021 and prepared by Frost & Sullivan, which is not related to our Company, Directors or Promoters. We commissioned and paid for this report for the purpose of confirming our understanding of the industry in connection with the Offer. All such information in this Prospectus indicates the F&S Report as its source. Accordingly, any information in this Prospectus derived from, or based on, the F&S Report should be read taking into consideration the foregoing.

Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Industry sources do not guarantee the accuracy, adequacy or completeness of the data. Further, the F&S Report is not a recommendation to invest / disinvest in any company covered in the F&S Report. Accordingly, prospective investors should not place undue reliance on, or base their investment decision solely on this information.

In view of the foregoing, you may not be able to seek legal recourse for any losses resulting from undertaking any investment in the Offer pursuant to reliance on the information in this Prospectus based on, or derived from, the F&S Report. You should consult your own advisors and undertake an independent assessment of information in this Prospectus based on, or derived from, the F&S Report before making any investment decision regarding the Offer. See "*Industry Overview*" on page 115. For the disclaimers associated with the F&S Report, see "*Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data*" on page 15.

19. Our success largely depends upon the knowledge and experience of our Promoters, Directors and our Key Management Personnel as well as our ability to attract and retain personnel with technical expertise. Any loss of our Promoters, Directors, Key Management Personnel or our ability to attract and retain them and other personnel with technical expertise could adversely affect our business, financial condition and results of operations.

Our success largely depends upon the knowledge and experience of our Promoters, Directors and our Key Management Personnel as well as our ability to attract and retain skilled personnel. Any loss of our Promoters, Directors and Key Management Personnel or our ability to attract and retain them and other skilled personnel could adversely affect our business, financial condition and results of operations. We depend on the management skills and guidance of our Promoters for development of business strategies, monitoring their successful implementation and meeting future challenges. Further, we also significantly depend on the expertise, experience and continued efforts of our Key Management Personnel. Our future performance will depend largely on our ability to retain the continued service of our management team. If one or more of our Key Management Personnel are unable or unwilling to continue in his or her present position, it could be difficult for us to find a suitable or timely replacement and our business, financial condition and results of operations could be adversely affected.

In addition, we may require a long period of time to hire and train replacement personnel when personnel with technical expertise terminate their employment with us. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting and retaining personnel with technical expertise that our business requires. In Fiscal 2021, Fiscal 2020 and Fiscal 2019, our attrition rate was 1.54%, 2.50%, and 1.72%, respectively. The loss of the services of such persons could have an adverse effect on our business, results of operations, cash flows and financial condition. The below table further showcases the attrition rate in our Company:

Period	Total Attrition Rate	Leads Attrition Rate	Staff Attrition Rate	Workers Attrition Rate
Fiscal 2019	1.72%	0.00%	0.84%	3.17%
Fiscal 2020	2.50%	0.71%	1.56%	4.13%
Fiscal 2021	1.54%	0.00%	1.09%	2.42%
Nine months ended December 31, 2021	2.12%	0.46%	1.00%	3.27%

The above attrition rate shows that there is very low attrition in the leads position grade.

The following table sets forth the Directors and Key Managerial Personnel who have resigned from our Company in the last three financial years.

Period	Date of the Event	Name of the Person	Nature of Designation	Reason
Fiscal 2019	None	None	None	None
Fiscal 2020	None	None	None	None
Fiscal 2021	June 30, 2020	Swati Abhishek Chaudhary	Company Secretary	Due to personal reasons
Fiscal 2022	September 4, 2021	Rakesh Malik	Director (Non-Executive Non-Independent)	Due to health issues

We do not see any foreseeable impact due to these resignations and the positions have been appropriately filled.

There is significant competition for management and other skilled personnel in the chemicals industry in which we operate, and it may be difficult to attract and retain the personnel we require in the future. There can be no assurance that our competitors will not offer better compensation packages, incentives and other perquisites to such skilled personnel. Further, as on the date of this Prospectus, we do not have key man insurance policies except for our Managing Director. We have Group Term Insurance for all our employees, wherein we are covering the lives of all our employees (with cost to the Company above ₹0.42 million per annum) with 10 times of their cost to the Company and for employees (with cost to the Company less than ₹0.42 million) with 5 times of their cost to the Company. These are taken for all the KMPs as well. In the event that we are not able to attract and retain talented employees as required for conducting our business, or if we experience high attrition levels which are largely out of our control, or if we are unable to motivate and retain existing employees, our business, financial condition and results of operations may be adversely affected. For further information, see "*Our Management*" on page 196.

20. We do not have long-term agreements with suppliers for our raw materials and an increase in the cost of, or a shortfall in the availability or quality of such raw materials could have an adverse effect on our business, financial condition and results of operations.

In the nine months ended December 31, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019, our cost of goods sold (cost of materials consumed and changes in inventories of finished goods and work-in-progress) was ₹2,148.77 million, ₹2,306.88 million, ₹1,561.55 million, and ₹1,095.75 million, respectively, which represented 48.55%, 51.28%, 51.74% and 54.47% of our gross revenue from operations, respectively. We source a significant amount of the raw materials that we use in our business from India, Japan, Europe, Taiwan and China. In addition, we usually do not enter into long-term supply contracts with any of our raw material suppliers and typically source raw materials from third-party suppliers under contracts of shorter period or the open market. The absence of long-term contracts at fixed prices exposes us to volatility in the prices of raw materials that we require and we may be unable to pass these costs onto our customers, which may reduce our profit margins. We face a risk that one or more of our existing suppliers may discontinue their supplies to us, and any inability on our part to procure raw materials from alternate suppliers in a timely fashion, or on commercially acceptable terms, may adversely affect our business, financial condition and results of operations.

21. We are subject to strict quality requirements, regular inspections and audits by our customers, and any failure to comply with quality standards may lead to cancellation of existing and future orders and could negatively impact our business, financial condition, results of operations and prospects.

We develop, manufacture and market a diverse range of advanced intermediates and speciality chemicals which have applications in the pharmaceutical, agrochemicals, material science, coatings, high performance photography, food additives and oil & gas segments of the chemical industry. Our customers maintain strict qualification and/or certification procedures. Our products go through various quality checks at various stages including random sampling check and quality check internally. Many of our key customers have audited and approved our facilities and manufacturing processes in the past and may undertake similar audits periodically in the future. These successful audits play a critical role in customer retention, and any issues that arise in the course of these audit may lead to loss of the particular customer. Further, failure of our products to meet prescribed quality standards may result in rejection and reworking of our products. This may result in our customers cancelling present or future purchases of our products and could adversely affect our business, financial condition and results of operations.

We also have procured ISO 9001:2015 / ISO 14001:2015 / ISO 45001:2018 / ISO 27001:2013 / GMP certifications for our major operations at our Manufacturing Facility 2. While we have put in place quality control procedures, we cannot assure that our products will always be able to satisfy our prescribed quality standards. Our quality control procedures may fail to test for all possible conditions of use or identify all defects in the manufacturing of our products. While we have not faced such challenges in past, any failure on our part to successfully maintain quality standards for our products may affect our customer relationships, which may adversely affect our business, financial condition, results of operations and prospects.

22. ***We require various licenses and approvals for undertaking our businesses and the failure to obtain or retain such licenses or approvals in a timely manner, or at all, may adversely affect our operations.***

Our business operations are subject to various laws, the compliance of which is supervised by multiple regulatory authorities and government bodies. In order to conduct our business, we are required to obtain multiple licenses, approvals, permits and consents. For further information, see "*Government and Other Approvals*". Additionally, our government approvals and licenses are subject to numerous conditions, some of which are onerous including making an application for amending the existing approval and require us to make substantial expenditure. Most of these approvals and licenses are subject to ongoing inspection and compliance requirements and are valid only for a fixed period of time subject to renewals and accreditations. Additionally, we may need to apply for more approvals in the future including renewal of approvals that may expire from time to time. If we fail to renew, obtain or retain any of such approvals, in a timely manner, or at all, our business and operations may be adversely affected.

23. ***All of our manufacturing facilities are located in Gujarat exposing us to regulatory and other geography specific risks such as labour unrests, terrorist attacks, other acts of violence and occurrence of natural and man-made disasters.***

All of our manufacturing facilities (which includes our R&D Facilities and Pilot Plant) are located at Sachin in Surat, Gujarat. Additionally, our Proposed Greenfield Project is situated in the same area. The concentration of all of our operations in Gujarat heightens our exposure to adverse developments related to regulation, as well as political or economic, demographic and other changes in Gujarat as well as the occurrence of natural and man-made disasters in Gujarat, which may adversely affect business, financial condition and results of operations. Our manufacturing operations require significant labour and are also reliant on government policies in terms of taxes, duties and incentives made applicable by the state government. While during the last three financial years (Fiscal 2019 to Fiscal 2021), we have not been affected by such risk, in case of any unfavourable policies of the state government or state or local governments in this region, our business, financial condition and results of operations could be adversely affected.

However, Gujarat has experienced social and civil unrest in the past within the state and such tensions could lead to political or economic instability in Gujarat and a possible adverse effect on our business, financial condition and results of operations. There can be no assurance that such situations will not recur or be more intense than in the past.

24. ***We face competition from both domestic as well as multinational corporations and our inability to compete effectively may have a material adverse impact on our business, financial condition and results of operations.***

Although the specialty chemicals industry provides for significant entry barriers, competition in our business is based on pricing, relationships with customers, research and development, product registration, product quality, customisation, and innovation. We face pricing pressures from companies, principally in China, that are able to produce chemicals at competitive costs and consequently, may supply their products at cheaper prices. Moreover, Indian chemical companies are faced with poor infrastructure and lack of adequate facilities at ports and railway terminals as well as poor pipeline connectivity, which imposes difficulties in raw material procurement and at a cost competitive price with global peers. We are unable to assure you that we shall be able to meet the pricing pressures imposed by such multinational competitors which would adversely affect our business, financial condition and results of operations. Additionally, some of our competitors in the intermediates and speciality chemicals business may have greater financial, research and technological resources, larger sales and marketing teams and more established reputation. They may also be in a better position to identify market trends, adapt to changes in industry, innovative new products, offer competitive prices due to economies of scale and also ensure product quality and compliance. For more information regarding our industry peers, please see the section "*Industry Overview – Overview of Financial Performance of Key Players*".

25. ***Our failure to manage growth effectively may adversely impact our business, prospects, financial condition and results of operations.***

Our ability to sustain growth depends primarily upon our ability to manage key issues such as our ability to sustain existing relationships with our clients, ability to obtain raw materials at better prices, ability to compete effectively, ability to scaling up our operations, adhering to high quality and execution standards, our ability to expand our manufacturing capabilities and our presence in India as well as globally, the effectiveness of our marketing initiatives, selecting and retaining skilled personnel. Sustained growth also puts pressure on our ability to effectively manage and control historical and emerging risks. Our inability to effectively manage any of these issues may adversely affect our business growth and, as a result, impact our businesses, financial condition, results of operations and prospects.

26. Our investments in new products may not be successful and may be less profitable or may be loss-making.

In accordance with our strategy, we are investing in developing new intermediates and speciality chemicals to add to our product mix. Although we follow a careful plan and strategy to develop our products, the development of new products is subject to number of risks including, but not limited to, our failure to develop products that meet market demands and market requirements, our failure to meet competition and our failure to comply with applicable regulation. Accordingly, our new intermediates and speciality chemicals may not be successful for these and other reasons. In addition, our new products may require significant capital expenditure for development and roll out and may take substantial management time. For example, during Fiscal 2022-23, we plan to add Dolutegravir (Antiretroviral to treat HIV/AIDS), Carbamazepine (Anti-epileptic), Oxcarbazepine (Anticonvulsant), Memantine (treats symptoms of Alzheimer's) and Ambroxol (treatment of respiratory disease) to our product portfolio. In the nine months ended December 31, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019, our R&D expenses (capital as well as revenue) were ₹242.47 million, ₹192.83 million, ₹120.92 million and ₹52.91 million, respectively, which represented 5.40%, 4.25%, 3.98% and 2.60% of our total income, respectively. In addition, in the nine months ended December 31, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019, our capital expenditure on R&D was ₹136.04 million, ₹79.38 million, ₹39.43 million and ₹22.42 million, respectively. Further, our investments in new products, may be less profitable than what we have experienced historically or estimated, may be lossmaking, may consume substantial financial resources and/or may divert management's attention from existing operations, all of which could materially and adversely affect our business, results of operations and financial condition.

27. There are pending litigations against our Company and certain of our Directors. Any adverse decision in such proceedings may render us/them liable to liabilities/penalties and may adversely affect our business, results of operations and financial condition.

Certain legal proceedings involving our Company and certain of our Directors are pending at different levels of adjudication before various courts, tribunals and authorities. In the event of adverse rulings in these proceedings or consequent levy of penalties, we may need to make payments or make provisions for future payments and which may increase expenses and current or contingent liabilities.

A summary of outstanding litigation proceedings involving our Company and Directors, as disclosed in "*Outstanding Litigation and Material Developments*" on page 321 in terms of the SEBI ICDR Regulations as of the date of this Prospectus is provided below.

Name of Entity	**Criminal proceedings**	**Tax proceedings**	**Statutory or regulatory proceedings**	**Disciplinary actions by the SEBI or Stock Exchanges against our Promoters**	**Material civil litigation**	**Aggregate amount involved (₹ in million)***
Company						
By the Company	Nil	Nil	Nil	Nil	Nil	Nil
Against the Company	Nil	3	Nil	Nil	Nil	20.97
Directors						
By the Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	2	Nil	Nil	Nil	86.94
Promoters						
By the Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Against the Promoters	Nil	2	Nil	Nil	Nil	86.94
Disciplinary action in the last five Fiscals	Nil	Nil	Nil	Nil	Nil	Nil

**to the extent quantifiable*

For further information, see “*Outstanding Litigation and Material Developments*” on page 321.

We cannot assure you that any of the outstanding litigation matters will be settled in our favour, or that no (additional) liability will arise out of these proceedings. Our Company is in the process of litigating these matters, and based on the assessment in accordance with applicable accounting standard our Company has presently not made provision for any of the pending legal proceedings. In addition to the foregoing, we could also be adversely affected by complaints, claims or legal actions brought by persons, before various forums such as courts, tribunals, consumer forums or sector-specific or other regulatory authorities in the ordinary course or otherwise, in relation to our products and services, our technology and/or intellectual property, our branding or marketing efforts or campaigns or our policies or any other acts/omissions. Further, we may be subject to legal action by our employees and/or ex-employees in relation to alleged grievances such as termination of their employment with our Company and vesting and exercise of employee stock option plans granted to them during their employment. There can be no assurance that such complaints or claims will not result in investigations, enquiries or legal actions by any courts, tribunals or regulatory authorities against us.

28. Our Company may not be successful in penetrating new export markets.

Expansion into new export markets subjects us to various challenges, including those relating to our lack of familiarity with the culture and economic conditions of these new regions, language barriers, difficulties in staffing and managing such operations, and the lack of brand recognition and reputation in such regions. In addition, the risks involved in entering new geographic markets and expanding operations, may be higher than expected, and we may face significant competition in such markets. While there have been no instances during the last three financial years (Fiscal 2019 to Fiscal 2021) where we have faced issues in penetrating new markets, we cannot assure you that we shall not face such challenges while expanding into new export markets. In the eventuality we are unable to successfully expand into new geographical regions, our growth plans and future performance shall be adversely affected. Additionally, by expanding into new geographical regions we could be subject to additional risks associated with establishing and conducting operations, including compliance with a wide range of laws, regulations and practices; exposure to expropriation or other government actions; and political, economic and social instability.

29. The cost of implementing new technologies for our operations could be significant and could adversely affect our business, financial condition and results of operations.

Our future success may depend in part on our ability to respond to technological advances and emerging standards and practices on a cost effective and timely basis. We cannot assure you that we will be able to successfully make timely and cost-effective enhancements and additions to the technology underpinning our operational platform, keep up with technological improvements in order to meet our customers’ needs or that the technology developed by others will not render our services less competitive or attractive. In addition, rapid and frequent technology and market demand changes can often render existing technologies and equipment obsolete, requiring substantial new capital expenditures or write-down of assets. Our failure to successfully adopt such technologies in a cost effective and a timely manner could increase our costs (in comparison to our competitors who are able to successfully implement such technologies) and lead to us being less competitive in terms of our prices or quality of services we provide. Further, implementation of new or upgraded technology may not be cost effective, which may adversely affect our profitability. Any of the above events may adversely affect our business, financial condition, results of operations and prospects.

30. We have incurred significant capital expenditure during the last three Fiscal Years. We may require substantial financing for our business operations and planned capital expenditure and the failure to obtain additional financing on terms commercially acceptable to us may adversely affect our ability to grow and our future profitability.

During the nine months ended December 31, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019, we incurred capital expenditure of ₹489.86 million, ₹800.62 million, ₹452.22 million and ₹120.28 million, respectively. A significant amount of our capital expenditure in these periods was aimed at increasing our manufacturing and R&D capacities. Our management adopts and implements business strategies that take into account a number of macro and micro economic considerations, including our current financial condition and expected levels of growth over the medium to long term. In addition, we expect to increase our expenditure from the objects of the Offer. For further information, see “*Objects of the Offer*” on page 92.

There can be no assurance that our expansion plans will be implemented as planned or on schedule, or that we will achieve our increased planned output capacity or operational efficiency. If we experience significant delays or mishaps in the implementation of the expansion plans or if there are significant cost overruns, then the overall benefit of such plans to our revenues and profitability may decline. To the extent that the planned expansion does not produce anticipated or desired output, revenue or cost-reduction outcomes, our business, financial condition and results of operations will be adversely affected.

In the future, we may require substantial capital for our business operations and planned capital expenditure to maintain and grow our existing infrastructure, purchase equipment and develop and implement new technologies in our new and existing manufacturing facilities. The actual amount and timing of our future capital requirements may differ from estimates as a result of, among other things, unforeseen delays or cost overruns in developing our products, changes in business plans due to prevailing economic conditions, unanticipated expenses and regulatory changes. To the extent our planned expenditure requirements exceed our available resources, we will be required to seek additional debt or equity financing. Additional debt financing could increase our interest costs and require us to comply with additional restrictive covenants in our financing agreements. Additional equity financing could dilute our earnings per Equity Share and your investment in our Company and could adversely impact our future Equity Share price.

Our ability to obtain additional financing on favourable terms, if at all, will depend on a number of factors, including our future financial condition, results of operations and cash flows, the amount and terms of our existing indebtedness, general market conditions and market conditions for financing activities and the economic, political and other conditions in the markets where we operate. Our ability to raise debt financing on acceptable terms also depends on our credit ratings. For further information on the risks associated with credit ratings, see "*Any downgrade of our debt ratings could adversely affect our business*." We cannot assure you that we will be able to raise additional financing on acceptable terms in a timely manner or at all. Our failure to renew arrangements for existing funding or to obtain additional financing on acceptable terms and in a timely manner could adversely impact our planned capital expenditure, our business, financial condition and results of operations.

31. Our performance may be adversely affected if we are not successful in forecasting customer demands, managing our inventory or working capital.

We maintain relatively high inventory levels of approximately three to five months of raw material requirements for the manufacture of the products. We use our enterprise resource planning software to evaluate our inventory balances of materials based on shelf life, expected sourcing levels, known uses and anticipated demand based on forecasted customer order activity and changes in our product sales mix. Efficient inventory management is a key component of the success of our business, financial condition and results of operations. To be successful, we must maintain sufficient inventory levels and an appropriate product sales mix to meet our customers' demands, without allowing those levels to increase to such an extent that the costs associated with storing and holding other inventory adversely affects our results of operations. Based on the details of orders received from customers, our raw material inventory and our production of finished goods is planned. Our raw material inventory is planned for a longer period (at least 5 months) so that there is no shortfall in meeting customer demands for any products. Our inventory for finished goods is only available for not more than 7 days as the products are manufactured based on the orders received. Our working capital management is done taking into account all these factors.

Our inventory levels have increased significantly over the last three fiscal years. The following table set forth our Inventory Turnover Ratio, Net Working Capital and Capital Turnover Ratio for the periods indicated.

Particulars	**As at December 31,**		**As at March 31,**		
	2021	**2020**	**2021**	**2020**	**2019**
Inventory Turnover Ratio (days)	192	106	134	169	133
Net Working Capital (in ₹ millions)	1,880.89	420.09	716.22	299.33	73.42
Net Capital Turn Ratio (times)	**2.35**	**7.95**	**6.28**	**10.08**	**27.40**

If our raw materials purchase decisions do not accurately predict sourcing levels, customer trends or our expectations about customer demands and needs are inaccurate, we may have to take unanticipated markdowns or impairment charges to dispose of the excess or obsolete inventory, which can adversely affect our results of operations. In addition, our working capital requirements have increased in recent years due to the general growth of our business. If a client defaults in making its payment on a product to which we have devoted significant resources, it may also affect our profitability and liquidity and decrease the capital resources that are otherwise available for other uses. All of these factors may result, or have resulted, in increases in our working capital requirements. If we are unable to finance our working capital needs, or secure other financing when needed, on acceptable commercial terms or at all, it may adversely affect our business, financial condition, results of operations and prospects.

32. Fluctuation in the prices of raw materials and crude oil may affect our ability to price our products competitively.

The costs of materials consumed make up a large portion of our operating expenses. During the nine months ended December 31, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019, our cost of goods sold (cost of materials consumed and changes in inventories of finished goods and work-in-progress) amounted to ₹2,148.77 million, ₹2,306.88 million, ₹1,561.55 million and ₹1,095.75 million, respectively, and our cost of materials consumed as a percentage of our gross revenue from operations was 48.55%, 51.28%, 51.74% and 54.47%, respectively. We source raw materials primarily from third-party suppliers, including imports. Our primary raw materials include derivatives of crude oil, such as phenol, amongst others. Increases in prices of raw materials, or the unavailability thereof, could have a material adverse effect on our business, financial condition and results of operations.

Prices of some of raw materials that we use are closely linked to crude oil prices. Crude prices globally have been volatile. In

Fiscal 2020 and Fiscal 2021, crude oil prices fluctuated significantly in large part due to the COVID-19 pandemic and global economic slowdown and then partial recovery, and crude oil prices generally have been showing increases during Fiscal 2022. In February 2022, hostilities between Russia and the Ukraine commenced, which has led the market price of oil to rise sharply and experience significant volatility.

While we have generally been able to pass on increase in prices of such raw materials to our customers, our inability to do so in the future could adversely affect our ability to price our products competitively and consequently, would adversely affect our business, financial condition and results of operations.

33. ***Failure or disruption of our IT, manufacturing automation systems and/or ERP systems may adversely affect our business, financial condition and results of operations.***

We have implemented various information technology ("**IT**") and/or enterprise resource planning ("**ERP**") solutions to cover key areas of our operations, procurement, dispatch and accounting. We also have various automation systems and software that automate our manufacturing and production. We also have cyber insurance policy and crime insurance policy. These systems are potentially vulnerable to damage or interruption from a variety of sources, which could result from (among other causes) cyber-attacks on or failures of such infrastructure or compromises to its physical security, as well as from damaging weather or other acts of nature. A significant or large-scale malfunction or interruption of one or more of our IT systems, ERP systems or manufacturing automation systems could adversely affect our ability to keep our operations running efficiently and affect product availability, particularly in the country, region or functional area in which the malfunction occurs, and wider or sustained disruption to our business cannot be excluded. In addition, it is possible that a malfunction of our data system security measures could enable unauthorized persons to access sensitive business data, including information relating to our intellectual property or business strategy or those of our customers. While we have not faced significant disruptions in past, any such malfunction or disruptions in future could cause economic losses for which we could be held liable or cause damage to our reputation. Any of these developments, alone or in combination, could have a material adverse effect on our business, financial condition and results of operations. Further, unavailability of, or failure to retain, well trained employees capable of constantly servicing our IT, manufacturing automation systems and/or ERP systems may lead to inefficiency or disruption of our operations and thereby adversely affecting our business, financial condition and results of operations.

34. ***We are dependent on third party transportation and logistics service providers. Any increase in the charges of these entities could adversely affect our business, financial condition and results of operations.***

Pursuant to certain of our arrangements with our customers, based on customer preferences, we are required to pay the freight costs for the products we sell. In addition, we may have to pay for transportation costs in relation to the delivery of some of the raw materials and other inputs to our manufacturing facilities. We do not own any vehicles for the transportation of our products and/or raw materials, we therefore rely on third party transportation and logistics providers for delivery of our raw materials and products. We do not have any long-term contractual arrangements with such third-party transportation and logistics providers. While we have in past not faced any significant disruptions due to dependence on third party transportation and logistics service providers, any disruptions in future of logistics could impair our ability to procure raw materials and/or deliver our products on time, which could materially and adversely affect our business, financial condition and results of operations.

In the nine months ended December 31, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019, our expenses for freight (inward and outward) were ₹122.27 million, ₹123.52 million, ₹80.30 million and ₹46.08 million, respectively, which constituted 2.72%, 2.72%, 2.64% and 2.27%, respectively, of our total income, and, and which represented 3.62%, 3.43%, 3.25% and 2.70%, respectively, of our total expenses. We are subject to the risk of increases in freight costs. If we cannot fully offset any increases in freight costs, through increases in the prices for our products, we would experience lower margins. In addition, any increase in export tariffs also will increase expenses which in turn may adversely affect our business, financial condition and results of operations.

While we believe we have adequately insured ourselves against the risk involved in maritime transport, we may be responsible for the transport of our products and accordingly be exposed to the risk of theft, accidents and/or loss of our products in transit. While there have been no material instances of theft, accident or loss in the past three years, we cannot assure you that such incidents will not occur in future. Any such acts could result in serious liability claims (for which we may not be adequately insured) which could have an adverse effect on our business, financial condition and results of operations.

35. ***We have not yet placed orders in relation to the capital expenditure to be incurred for the Proposed Greenfield Project. In the event of any delay in placing the orders, or in the event the vendors are not able to provide the equipment in a timely manner, or at all, may result in time and cost over-runs and our business, prospects and results of operations may be adversely affected. Our proposed capacity expansion plans via one of our new manufacturing facilities are subject to the risk of unanticipated delays in implementation and cost overruns.***

We have made and intend to continue making investments to expand our manufacturing capacities to aid our growth efforts.

We intend to use a part of the Net Proceeds to set-up a new manufacturing facility in Surat, Gujarat to expand capacities in our popular product segments and launch new product segments ("**Proposed Greenfield Project**"). This facility at Surat is intended to be funded from a combination of internal accruals and proceeds of the Fresh Issue.

The total estimated cost for the Proposed Greenfield Project is ₹1,900.00 million. We propose to fund the cost of the Proposed Greenfield Project as follows:

Source of funds for total estimated cost	**(₹ million)**
Net Proceeds	1,630.00
Internal accruals	270.00
Total	**1,900.00**

Total estimated cost as per certificate dated May 16, 2022 issued by Dr. Pankaj Jayantilal Gandhi (Chartered Engineer) in respect of the Proposed Greenfield Project. Our Proposed Greenfield Project remains subject to the potential problems and uncertainties that construction projects face including cost overruns or delays. Problems that could adversely affect our expansion plans include labour shortages, increased costs of equipment or manpower, inadequate performance of the equipment and machinery installed in our manufacturing facilities, delays in completion, defects in design or construction, the possibility of unanticipated future regulatory restrictions, delays in receiving governmental, statutory and other regulatory approvals, incremental pre-operating expenses, taxes and duties, interest and finance charges, working capital margin, environment and ecology costs and other external factors which may not be within the control of our management. Further, there can be no assurance that our budgeted costs may be sufficient to meet our proposed capital expenditure requirements. If our actual capital expenditures significantly exceed our budgets, or even if our budgets were sufficient to cover these projects, we may not be able to achieve the intended economic benefits of these projects, which in turn may materially and adversely affect our financial condition, results of operations, cash flows, and prospects. There can be no assurance that we will be able to complete the aforementioned expansion and additions in accordance with the proposed schedule of implementation and any delay could have an adverse impact on our growth, prospects, cash flows and financial condition.

The Proposed Greenfield Project will require us to obtain various approvals, which are routine in nature including approvals such as consent to establish and fire-no objection certificate. For further details, see "*Objects of the Offer – Funding capital expenditure requirements for Proposed Greenfield Project – Government approvals*" on page 97. In addition to such pending approvals, we will also need to apply for certain additional approvals required for the Proposed Greenfield Project. There can be no assurance that we will be able to obtain these registrations and approvals including approvals in relations to power and water procurement in a timely manner or at all. Further, in the event of any unanticipated delay in receipt of such approvals, the proposed schedule implementation and deployment of the Net Proceeds may be extended or may vary accordingly. While we have procured quotations from various vendors in relation to the capital expenditure to be incurred for the Proposed Greenfield Project, we have not placed any firm orders for any of them. For details in respect of the foregoing, see "*Objects of the Offer*" on page 92. Such quotations are valid for a certain period of time and may be subject to revisions, and other commercial and technical factors. We cannot assure you that we will be able to undertake such capital expenditure within the cost indicated by such quotations or that there will not be cost escalations. Further, the actual amount and timing of our future capital requirements may differ from our estimates as a result of, among other things, unforeseen delays or cost overruns, unanticipated expenses, regulatory changes, engineering design changes and technological changes.

Further, if we are unable to procure the requisite raw materials from the vendors from whom we have procured quotations, we cannot assure you that we may be able to identify alternative vendors to provide us with the raw materials which satisfy our requirements at acceptable prices. Our inability to procure the machinery and equipment at acceptable prices or in a timely manner, may result in an increase in capital expenditure, the proposed schedule implementation and deployment of the Net Proceeds may be extended or may vary accordingly, thereby resulting in an adverse effect on our business, prospects and results of operations.

36. Restrictions on import of raw materials and an increase in shipment cost may adversely impact our business, financial condition and results of operations.

During the nine months ended December 31, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019, our cost of goods sold (cost of materials consumed and changes in inventories of finished goods and work-in-progress) amounted to ₹2,148.77 million, ₹2,306.88 million, ₹1,561.55 million and ₹1,095.75 million, respectively, and our cost of materials consumed as a percentage of our gross revenue from operations was 48.55%, 51.28%, 51.74% and 54.47%, respectively. In the nine months ended December 31, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019, our purchase of imported raw materials was ₹790.96 million, ₹1,062.49 million, ₹804.07 million, and ₹471.16 million, and constituted 30.63%, 47.47%, 45.59% and 39.85%, respectively, of our total raw material purchase. Some of our raw material imports are regulated by the Manufacture, Storage and Import of Hazardous Chemical Rules, 1989 that, *inter alia*, allows the concerned authority to stop any import if it is deemed that the chemicals proposed to be imported may cause major accidents. We are unable to assure you that such regulations would not be made more stringent which would consequently restrict our ability to import raw materials from other jurisdictions. We also cannot assure you that, under these circumstances, we will be successful in identifying alternate suppliers for raw materials or we will be able to source the raw materials at favourable terms in a timely manner. Any restriction on import of raw materials could have an adverse effect on our ability to deliver products to our customers, and our business, financial condition and results of operations.

Further, in the future, if there are any trade restrictions, sanctions or higher tariffs being placed by India on imports from another country or similar restrictions placed by the exporting country for supply of products to India, such trade restrictions, sanctions or higher tariffs may significantly impact our sourcing decisions and It may lead to increased cost of purchase, and shortages of materials, which could impact our supply commitment to our customers and adversely affect our manufacturing activities. While we have not experienced trade restrictions or sanctions in the last three Financial Years (Fiscal 2019 to Fiscal 2021), however, such trade restrictions, sanctions or higher tariffs if imposed in future could have a material adverse effect on our business, financial condition and results of operations.

37. Our business may expose us to potential product liability claims and recalls, which could adversely affect our results operation, goodwill and the marketability of our products.

We may be exposed to risks of products recalls and returns. In addition, we may be exposed to potential product liability claims, and the severity and timing of such claims are unpredictable. While we have taken insurance to protect us from such claims; however, this insurance coverage may be inadequate or not applicable to a particular set of claims, please refer risk factor – "*Our insurance coverage may not adequately protect us against all losses or the insurance cover may not be available for all the losses as per the insurance policy, which could adversely affect business, financial condition and results of operations*" for further information. We face the risk of loss resulting from, and the adverse publicity associated with, product liability lawsuits, whether or not such claims are valid. We may also be subject to claims resulting from manufacturing defects or negligence in storage or handling which may lead to the deterioration of our products. Product liability claims, regardless of their merits or the ultimate success of the defence against them, are expensive. Even unsuccessful product liability claims would likely require us to incur substantial amounts on litigation and require our management's time and focus. Accordingly, such product liability claims, may adversely affect our results of operation, goodwill and the marketability of our products.

38. If we are unable to establish and maintain an effective internal controls and compliance system, our business and reputation could be adversely affected.

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of operations. Our internal audit functions make an evaluation of the adequacy and effectiveness of internal systems on an ongoing basis so that our operations adhere to our policies, compliance requirements and internal guidelines. We periodically test and update our internal processes and systems and there have been no past material instances of failure to maintain effective internal controls and compliance system. However, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to ensure effective internal checks and balances in all circumstances.

We take reasonable steps to maintain appropriate procedures for compliance and disclosure and to maintain effective internal controls over our financial reporting so that we produce reliable financial reports and prevent financial fraud. As risks evolve and develop, internal controls must be reviewed on an ongoing basis.

Further, our operations are subject to anti-corruption laws and regulations. These laws generally prohibit us and our employees and intermediaries from bribing, being bribed or making other prohibited payments to government officials or other persons to obtain or retain business or gain some other business advantage. We participate in collaborations and relationships with third parties whose actions could potentially subject us to liability under these laws or other local anti-corruption laws. While our code of conduct requires our employees and intermediaries to comply with all applicable laws, and we continue to enhance our policies and procedures in an effort to ensure compliance with applicable anti-corruption laws and regulations, these measures may not prevent the breach of such anti-corruption laws, as there are risks of such breaches in emerging markets, such as India, including within the chemicals sector. If we are not in compliance with applicable anti-corruption laws, we may be subject to criminal and civil penalties, disgorgement and other sanctions and remedial measures, and legal expenses, which could have an adverse impact on our business, financial condition and results of operations. Likewise, any investigation of any potential violations of anti-corruption laws by the relevant authorities could also have an adverse impact on our business and reputation.

39. We are dependent on third parties for the supply of utilities, such as water, gas and electricity, at our manufacturing facilities and any disruption in the supply of such utilities could adversely affect our manufacturing operations.

We procure electricity for use at our facilities from the local grid. We procure water for use at our facilities from the Gujarat Industrial Development Corporation. As part of our manufacturing process, we use natural gas supplied by a state-owned gas company. Reliance on third parties for electricity, water and gas exposes us to risks such as shortage or break down in supply, the correction of which is in the hands of such third parties, and which, if not corrected, could result in a temporary of all or part of operations. While we have not faced challenges in supply in past due to dependence on third parties for the supply of utilities, we cannot assure you that we shall not face shortage or break down in supply of utilities in future. Additionally, in case of a break- down of our relationship with the utility providers, we are unable to assure you that we shall be able to source such utilities from alternate sources in a timely manner, which could adversely affect our business, financial condition and results of operations.

40. The demand of our products in foreign countries is subject to international market conditions and regulatory risks that could adversely affect our business, financial condition and results of operations.

We export our products to over 18 countries. During the nine months ended December 31, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019, our total income from our exports (excluding deemed exports) amounted to ₹2,162.77 million, ₹2,278.25 million, ₹1,295.81 million and ₹918.26 million, respectively, which constituted 48.87%, 50.65%, 42.94% and 45.64%, respectively, of our revenue from operations. Therefore, any developments in the global chemical industry or the industries in which our customers operate could have an impact on our sales from exports. From time to time, tariffs, quotas and other tariff and non-tariff trade barriers may be imposed on our products in jurisdictions in which we operate or seek to sell our products. There can be no assurance that the European Community and the United States, among others, where we seek to sell our products will not impose trade restrictions on us in future. We may also be prohibited from exporting to certain restricted countries that may be added to a sanctions list maintained by the Government of India or other foreign governments, such as the Specially Designated Nationals and Blocked Persons list maintained by the Office of Foreign Assets Control of the US Department of Treasury in the United States. Any such imposition of trade barriers may have a material adverse effect on our business, financial condition and results of operations.

41. We are entitled to certain export incentives for a specified period of time. Expiry or early withdrawal of such subsidies or export incentives may adversely affect our business, financial condition and results of operations. Further, our inability to fulfil our export obligations under Advance Authorization Licenses, could subject us to payment of customs duties together with interest thereby adversely impacting our business, financial condition and results of operations.

We benefit from certain subsidies and export incentives under export promotion schemes including the Merchandise Exports from India Scheme (MEIS) duty credit. While there have been no instances during the last three financial years (Fiscal 2019 to Fiscal 2021) where subsidies or export incentives have been withdrawn or non-receipt of disbursement of the benefit under such export schemes, if these subsidies or export incentives are withdrawn, or there is a delay in disbursements of benefits under such schemes, our business, financial condition and results of operations may be adversely affected. In addition, our business, financial condition and results of operations may be adversely affected if we are subject to any dispute with the tax authorities in relation to these benefits or in the event, we are unable to comply with the conditions required to be complied with in order to avail ourselves of these benefits.

Further, we avail ourselves of exemptions from customs duties under Advance Authorization Licenses. Under the Advance Authorization Licenses, we import certain important raw materials without the payment of Import Duties, which are then used in the manufacture of goods to be exported. Our inability to fulfil our export obligations under such Advance Authorization Licenses, could subject us to payment of customs duties together with interest thereby adversely impacting our business, financial condition and results of operations. For further information on our tax benefits, see our "*Statement of Special Tax Benefits*" on page 111.

42. If any of our products or the products of our customers cause, or are perceived to cause, severe side effects, our reputation, revenues and profitability could be adversely affected.

We develop, manufacture and market a diverse range of chemical products and formulations including hazardous substances, which are primarily used as raw materials for a variety of end user applications. If our products or our customers' products cause, or are perceived to cause, severe side effects to their end-users, we may face a number of consequences, including, a severe decrease in the demand for, and sales of, the relevant products; the recall or withdrawal of the relevant products; withdrawal or cancellation of regulatory approvals for the relevant production facility; damage to our reputation and brand name; and exposure to lawsuits and regulatory investigation relating to the relevant products that result in liabilities, fines or sanctions. While there have been no material instances during the last three financial years (Fiscal 2019 to Fiscal 2021) of such risk, in case any of our products or products of our customer cause, or are perceived to cause, severe side effects our business, financial condition and results of operations may be adversely affected.

43. We engage contract labour for carrying out certain business operations. Requirement to fund their wage requirements may have an adverse impact on our business, financial condition and results of operations.

In order to retain operational efficiencies, we engage independent contractors through whom we engage contract labour for performance of certain functions at our manufacturing units as well as at our offices. Although we do not engage these labourers directly, we are responsible for any wage payments to be made to such labourers in the event of default by such independent contractors. While there have been no past instances during the last three financial years (Fiscal 2019 to Fiscal 2021) where we have had to fund wage requirements of the contract labour, any requirement to fund their wage requirements may have an adverse impact on our business, financial condition and results of operations.

44. We might infringe upon the intellectual property rights of others and any misappropriation of our intellectual property could harm our competitive position.

While we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty as to whether we are infringing on any existing third-party intellectual property rights, which may require us to alter our technologies, obtain licenses or cease some of our operations. We may also be susceptible to claims from third parties asserting infringement and other related claims. If such claims are raised, those claims could: (a) adversely affect our relationships with current or future customers: (b) result in costly litigation; (c) cause product shipment delays or stoppages; (d) divert management's attention and resources; (e) subject us to significant liabilities; (f) require us to enter into potentially expensive royalty or licensing agreements and (g) require us to cease certain activities. While in the last three financial years (Fiscal 2019 to Fiscal 2021) we have not been involved in litigation or incurred litigation expenses in connection with our trademarks or intellectual property rights, in the case of an infringement claim made by a third party, we may be required to defend such claims at our own cost and liability and may need to indemnify and hold harmless our customers. Furthermore, necessary licenses may not be available to us on satisfactory terms, if at all. In addition, we may decide to settle a claim or action against us, which settlement could be costly. We may also be liable for any past infringement that we are not aware of. Any of the foregoing could adversely affect our business, financial condition and results of operations.

In addition, in certain cases, our customers share their intellectual property rights in the course of the product development process that we carry out for them. If our customer's intellectual property rights are misappropriated by our employees in violation of any applicable confidentiality agreements, our customers may seek damages and compensation from us. This could have an adverse effect on our business, financial condition and results of operations and damage our reputation and relationships with our customers.

45. Failure to maintain confidential information of our customers could adversely affect our results of operations or damage our reputation.

We enter into confidentiality agreements and non-disclosure agreements with our customers and other third parties. Our agreements with our customers also contain confidentiality and non-disclosure clauses. As per these agreements, we are required to keep confidential, the know-how and technical specifications, if any, provided to us by these customers. In the event of any breach or alleged breach of our confidentiality agreements with our customers, these customers may terminate their engagements with us or initiate litigation for breach of contract. Moreover, most of these contracts do not contain provisions limiting our liability with respect to breaches of our obligation to keep the information we receive from them confidential. As a result, if our customers' confidential information is misappropriated by us or our employees, our customers may consider us liable for that act and seek damages and compensation from us, in addition, to seeking termination of the contract. While there have been no instances during the last three financial years (Fiscal 2019 to Fiscal 2021) of information technology breach or instances of cyber-attack, assertions of misappropriation of confidential information or the intellectual property of our customers against us, if successful, could have a material adverse effect on our business, financial condition and results of operations. Even if such assertions against us are unsuccessful, they may cause us to incur reputational harm and substantial cost.

46. An inability to comply with repayment and other covenants in the financing agreements could adversely affect our business, financial condition, cash flows and credit rating.

We have entered into agreements in relation to financing arrangements with certain banks for working capital facilities We have entered into agreements in relation to financing arrangements with certain banks for working capital facilities and bank guarantees. As of December 31, 2021, we had total outstanding borrowings of ₹2,347.30 million comprising of non-current borrowings of ₹1,018.46 million and current borrowings (including current maturities of long-term borrowings) of ₹1,328.84 million. The agreements with respect to our borrowings contain restrictive covenants, including, but not limited to, requirements that we obtain consent from the lenders prior to undertaking certain matters including, among others, effecting a merger, amalgamation or scheme of arrangement, change in capital structure of our Company subject to the threshold prescribed for the shareholding of certain shareholders of our Company and entering into forward contracts, swaps, options, or other liability management contracts in respect of short term facilities. For details, see "*Financial Indebtedness*" beginning on page 318.

Further, under the terms of our borrowings, we are required to create a charge by way of hypothecation on the entire current assets of our Company, together with cash in hand, bank accounts and receivables, and, in our term loans, fixed assets. As these assets are hypothecated in favour of lenders, our rights in respect of transferring or disposing of these assets are restricted. There can be no assurance that we will be able to comply with the financial or other covenants prescribed under the documentation for our financing arrangements or that we will be able to obtain consents necessary to take the actions that may be required to operate and grow our business. Further, if we fail to service our debt obligations, the lenders have the right to enforce the security created in respect of our secured borrowings. If the lenders choose to enforce security and dispose our assets to recover the amounts due from us, our business, financial condition and results of operations may be adversely affected.

Any failure to comply with the conditions and covenants in our financing agreements or the creation of additional encumbrances that is not waived by our lenders or guarantors or otherwise cured or occurrence of a material adverse event could lead to an event of default and consequent termination of our credit facilities could adversely affect our business, financial condition, results of operations and cash flows.

47. Our Company has unsecured loans which are repayable on demand. Any demand from lenders for repayment of such unsecured loans may adversely affect our cash flows.

As of December 31, 2021, our Company has unsecured loans amounting to ₹149.20 million, and may in the future continue to avail unsecured borrowings (such as loans from our directors / promoters and financial institution), which may be recalled at any time, with or without the existence of an event of default, on short or no notice. Such recalls on borrowed amounts may be contingent upon happening of an event beyond our control and there can be no assurance that we will be able to persuade our lender to give us extensions or to refrain from exercising such recalls, which may adversely affect our results of operations and cash flows.

The following table sets forth unsecured loans by our Promoters and Promoter Group for the dates indicated

(in ₹ million)

Unsecured Loans Received	Unsecured loans as on			
	December 31, 2021	March 31, 2021	March 31, 2020	March 31,2019
Ashwin Jayantilal Desai	35.02	20.52	18.55	17.85
Purnima Ashwin Desai	11.11	11.11	9.51	8.51
Rohan Ashwin Desai	59.18	55.28	49.37	34.04
Aman Ashvin Desai	12.90	9.41	4.92	3.72
Payal Rohan Desai	4.70	3.10	2.00	0.00
Ishita Surendra Manjrekar	26.29	0.00	0.00	0.00
Aman Desai (HUF)	0.00	26.29	26.29	26.29

For further details, see "*Financial Indebtedness*" on page 318.

48. We do not own the premises of our Registered Office, one of our manufacturing facilities or our administration offices.

We do not own our Registered Office premises or the premises of our manufacturing facility at Plot No. 8203, Road No. 08, GIDC Industrial Estate, Sachin, Surat 394230, Gujarat, India. This manufacturing facility is occupied by us on a leasehold basis (99 years, remaining 79 years as on March 2015 when the premises was taken on lease). We cannot assure you that we will be able to renew our lease on commercially acceptable terms or at all. In the event that we are required to vacate our current registered office, we would be required to make alternative arrangements for new offices and we cannot assure that the new arrangements will be on commercially acceptable terms.

49. Employee misconduct could harm us and is difficult to detect and deter.

Although we closely monitor our employees, misconduct, including acts of bribery, corruption or fraud by employees or executives, such acts could include binding us to transactions that exceed authorized limits or present unacceptable risks, or they may hide unauthorized or unlawful activities from us, which may result in substantial financial losses and damage to our reputation and loss of business from our customers. Employee or executive misconduct could also involve the improper use or disclosure of confidential information, which could result in regulatory sanctions and serious reputational or financial harm, including harm to our brand. While we have not experienced any such employee misconduct in the past, it is not always possible to deter employee or executive misconduct and the precautions taken and systems put in place to prevent and detect such activities may not be effective in all cases. Any instances of such misconduct could adversely affect our business and our reputation. The Company has though obtained the criminal insurance policy for coverage against such misconduct.

50. We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.

We have in the course of our business entered into, and will continue to enter into, several transactions with our related parties including remuneration paid to our Directors. For further information, see "*Restated Financial Statements*" on page 219. We cannot assure you that we will receive similar terms in our related party transactions in the future and that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties.

The transactions we have entered into and any further transactions that we may have with our related parties could potentially involve conflicts of interest which may be detrimental to us. We cannot assure you that such transactions, individually or in the aggregate, will not have an adverse effect on business and financial results, including because of potential conflicts of interest or otherwise.

51. ***Our Directors and key management personnel may have interests other than reimbursement of expenses incurred and normal remuneration or benefits in our Company.***

Our Directors and key management personnel may be interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of the Equity Shares and employee stock options held by them in our Company, and any dividends, bonuses or other distributions on such Equity Shares. For further details, other than reimbursement of expenses incurred or normal remuneration or benefits, see "*Our Management – Interest of Directors*" on page 203.

52. ***After the completion of the Offer, our Promoters will continue to collectively hold substantial shareholding in our Company.***

Currently, our Promoters own an aggregate of 96.83% of our outstanding Equity Shares. Following the completion of the Offer, certain Promoter Shareholders will continue to hold a majority of our post-Offer Equity Share capital which will allow them to exercise significant control over the outcome of the matters submitted to our shareholders for approval. For details of their shareholding pre- and post- Offer, see "*Capital Structure*" on page 75. This concentration of ownership may delay, defer or even prevent a change in control of our Company and may make some transactions more difficult without the support of these shareholders. In addition, these Shareholders have the ability to exercise influence over our business, and may cause us take actions that are not in, or may conflict with, our or our other shareholder's best interests, including matters relating to our management and policies and the election of our directors and senior management, the approval of lending and investment policies, revenue budgets, capital expenditure, dividend policy, strategic acquisitions and fund raising activities. The interests of our significant shareholders could conflict with our interests or the interests of our other shareholders. Any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

53. ***Information relating to the installed manufacturing capacity of our manufacturing facilities included in this Prospectus are based on various assumptions and estimates and future production and capacity may vary.***

Information relating to the historical installed capacity and estimated capacity utilization of our manufacturing facilities included in this Prospectus is based on various assumptions and estimates of our management and an independent chartered engineer, Dr. Pankaj Jayantilal Gandhi including assumptions relating to expected operations, availability of raw materials, expected unit utilization levels, downtime resulting from scheduled maintenance activities, downtime resulting from change in stock keeping units for a particular product, unscheduled breakdowns, mould changeover as well as expected operational efficiencies, please refer to "*Our Business - Capacity Production and Utilization*" on page 173 of the DRHP for further details. Actual production volumes and capacity utilization rates, however, may differ significantly from the estimated production capacities and historical capacity utilization of our manufacturing facilities. Investors should therefore not place undue reliance on our historical installed capacity information for our existing manufacturing facilities included in this Prospectus.

54. ***Any variation in the utilisation of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval.***

We intend to use the net proceeds raised pursuant to the Fresh Issue as set forth under "*Objects of the Offer*" on page 92. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Sections 13(8) and 27 of the Companies Act 2013, we cannot undertake any variation in the utilisation of the Net Proceeds without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders' approval may adversely affect our business or operations.

Further, our Promoters would be required to provide an exit opportunity to Shareholders who do not agree with our proposal to change the objects of the Offer or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement on Promoters to provide an exit opportunity to such dissenting shareholders may deter the Promoter from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company.

Further, we cannot assure you that the Promoters or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI. In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Offer, if any, or vary the terms of any contract referred to in this Prospectus, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilised portion of Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business and results of operations.

55. ***The objects of the Offer include funding working capital requirements of our Company, which are based on certain assumptions and estimates.***

The objects of the Offer include funding working capital requirements of our Company, which are based on management estimates and certain assumptions in relation to inter alia sales of our products in the future, the cost and holding periods of inventories of raw materials and finished goods as well as capacity utilisation. For details, see "*Objects of the Offer*" on page 92. Our working capital requirements may be subject to change due to factors beyond our control including force majeure conditions, an increase in defaults by our customers, availability of funding from banks or financial institutions. Accordingly, such working capital requirements may not be indicative of the actual requirements of our Company in the future and investors are advised to not place undue reliance on such estimates of future working capital requirements.

56. ***Our funding requirements and the proposed deployment of Net Proceeds are not appraised by any independent agency are based on management estimates and may be subject to change based on various factors, some of which beyond our control. Any changes in the estimated funding requirements could affect our business and results of operations.***

We intend to utilize the Net Proceeds of the Offer as set forth in "*Objects of the Offer*" beginning on page 92. Our funding requirements are based on management estimates and our current business plans and has not been appraised by any bank or financial institution. The deployment of the Net Proceeds will be at the discretion of our Board. However, the deployment of the Net Proceeds will be monitored by the Monitoring Agency. We may have to reconsider our estimates or business plans due to changes in underlying factors, some of which are beyond our control, such as the continuing impact of the COVID-19 pandemic, interest or exchange rate fluctuations, changes in designs, increase in input costs, labour costs, logistics and transport costs, incremental preoperative expenses, taxes and duties, start-up costs, engineering procurement and construction costs, regulatory costs, environmental factors, other external factors and since we have not presently entered into any definitive agreements for the use of the Net Proceeds. Accordingly, prospective investors in the Offer will need to rely upon our management's judgment with respect to the use of the Net Proceeds. If we are unable to deploy the Net Proceeds in a timely or an efficient manner, it may affect our business and results of operations.

57. ***We track certain operational metrics with internal systems and tools. Certain of our operational metrics are subject to inherent challenges in measurement which may adversely affect our business and reputation.***

We track certain operational metrics, including transaction volumes and key business and non-GAAP metrics such as EBITDA, EBITDA margin, ROCE, ROE, return on net worth, working capital, net worth, net asset value per share and debt equity ratio, among others, with internal systems and tools and which may differ from estimates or similar metrics published by third parties due to differences in sources, methodologies, or the assumptions on which we rely. We have implemented various management information systems to track our operational data accurately. We also review our data monthly and compare this data to various industry player to find any abnormal variations. However, our internal systems and tools still have inherent limitations, and our methodologies for tracking these metrics may change over time, which could result in unexpected changes to our metrics, including the metrics we publicly disclose. If the internal systems and tools /we use to track these metrics undercount or over count performance or contain algorithmic or other technical errors, the data we report may not be accurate. While these numbers are based on what we believe to be reasonable estimates of our metrics for the applicable period of measurement, there are inherent challenges in measuring how our platforms are used across large populations. In addition, limitations or errors with respect to how we measure data or with respect to the data that we measure may affect our understanding of certain details of our business, which could affect our long-term strategies. If our operating metrics are not accurate representations of our business, if investors do not perceive our operating metrics to be accurate, or if we discover material inaccuracies with respect to these figures, we expect that our business, reputation, results of operations and financial condition would be adversely affected.

58. ***In the event the Offer is not completed within 12 months from November 27, 2021 or within 60 days from entering into SSA 4, SSA 5, SSA 6, SSA 7 and SSA 8, our Company has an obligation to buy-back Equity Shares allotted to investors on November 27, 2021 pursuant to SSA 1, SSA 2 and SSA 3 (such investors, the "New Investors 1") and Equity Shares allotted to investors on May 5, 2022 pursuant to SSA 4, SSA 5, SSA 6, SSA 7 and SSA 8 (such investors, the "New Investors 2").***

Pursuant to SSA 1, SSA 2 and SSA 3, each of the New Investors 1 has a right to require our Company to buy-back (subject to compliance with applicable law) their respective Equity Shares allotted to each of them on November 27, 2021, if the Equity Shares are not listed on the Stock Exchanges, on or before the expiry of 12 months from November 27, 2021 at the price at which Equity Shares were allotted to the New Investors 1 or the Company decides not to proceed with the listing prior to the expiry of 12 months from November 27, 2021, at a 1% interest per annum calculated from November 27, 2021 till the date of actual payment to the respective New Investor ("**Purchase Consideration**"), subject to applicable law. Further, if the Company is unable to buy-back the said Equity Shares from the New Investors 1 for the Purchase Consideration, the Company shall cause the existing shareholders of the Company or any third party to purchase the said Equity Shares within a period of 30 Business Days for the Purchase Consideration. Moreover, if the Equity Shares allotted on November 27, 2021 are not listed on the Stock Exchanges on or before expiry of 12 months from November 27, 2021 or the Company decides not to proceed with the listing prior to the expiry of 12 months from November 27, 2021, the Company shall create a fixed deposit of an amount equivalent to the price at which Equity Shares were allotted to the New Investors 1 and mark a lien on the said fixed deposit in favour of the New Investors.

Pursuant to the SSA 4, SSA 5, SSA 6, SSA 7 and SSA 8, each of the New Investors 2 has a right to require our Company to buy-back (subject to compliance with applicable law) its Equity Shares allotted to it, if the Equity Shares are not listed on the Stock Exchanges, within 60 days from closing date of the initial term or such extended period agreed upon between parties in writing ("**Initial Term**"). In the event of failure the Company to perform its obligations, it shall buy-back the subscription shares within a period of 21 business days from Initial Term or such extended period agreed between the parties in writing ("**Final Term**") in accordance with applicable laws and shall credit the buy-back consideration to the New Investors 2 on or before the Final Term provided that the New Investors 2 have released the lien on the fixed deposit to facilitate utilization of the same for the purpose of such buy-back. Upon completion of the aforesaid buy-back, the parties shall be released from all claims and further obligations in relation of the Agreement subject to applicable law. Further, in the event that the Company is unable to complete the buyback within the Final Term the New Investors 2, without prejudice to its rights and remedies, shall have the right to invoke the lien on the Fixed Deposit and appropriate the proceeds thereof

While these above provisions automatically terminate on the listing of the Equity Shares pursuant to the Offer, we cannot assure you that the Offer will be consummated on or prior to such date. In the event these provisions are to be made effective, our Company and/or the existing shareholders of the Company, may require significant resources which in turn may have a material adverse impact on the Company and its prospects, to the extent applicable.

59. We have issued Equity Shares during the preceding one year at a price that may be below the Offer Price.

We have issued Equity Shares in the last 12 months at a price that may be lower than the Offer Price, as set out in the table below:

Date of allotment	No. of Equity Shares allotted	Face value per Equity Share(₹)	Issue price/conversion price per Equity Share (₹)	Nature of consideration	Nature of transaction
November 17, 2021	100,985,670	10	-	Not applicable	Bonus Issue
November 27, 2021	1,607,160	10	642.00	Cash	Private Placement
May 5, 2022	2,024,921	10	642.00	Cash	Private Placement

The price at which our Company has issued the Equity Shares in the preceding 12 months is not indicative of the Offer Price or that will prevail in the open market following listing of the Equity Shares. For details, see "*Capital Structure*" beginning on page 75.

External Risks

Risks Relating to India

60. A slowdown in economic growth in India could cause our business to suffer.

Our performance and the growth of our business are necessarily dependent on the health of the overall Indian economy. Any slowdown or perceived slowdown in the Indian economy or future volatility in global commodity prices could adversely affect our business. Additionally, an increase in trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. In particular, the COVID-19 pandemic caused an economic downturn in India and globally. Any downturn in the macroeconomic environment in India could also adversely affect our business, financial condition, results of operations and prospects.

India's economy could be adversely affected by a general rise in interest rates or inflation, adverse weather conditions affecting agriculture, commodity and energy prices as well as various other factors. A slowdown in the Indian economy could adversely affect the policy of the GoI towards our industry, which may in turn adversely affect our financial performance and our ability to implement our business strategy.

The Indian economy is also influenced by economic and market conditions in other countries, particularly emerging market conditions in Asia. A decline in India's foreign exchange reserves and exchange rate fluctuations may also affect liquidity and interest rates in the Indian economy, which could adversely impact our financial condition. A loss of investor confidence in other emerging market economies or any worldwide financial instability may adversely affect the Indian economy, which could materially and adversely affect our business, financial condition, results of operations and prospects.

Further, other factors which may adversely affect the Indian economy are scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing of our expansions; volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges; changes in India's tax, trade, fiscal or monetary policies, like application of GST; political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries; occurrence of natural or man-made disasters; infectious disease outbreaks or other serious public health concerns; prevailing regional or global economic conditions, including in India's principal export markets; and other significant regulatory or economic developments in or affecting India or its financial services sectors.

61. Our business is affected by global economic conditions, especially in the geographies we cater to, which may have an adverse effect on our business, financial condition, results of operations and prospects.

Our business depends substantially on global economic conditions. During the nine months ended December 31, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019, our sales from exports (excluding deemed exports), as a percentage of our gross revenue from operations were 48.87%, 50.65%, 42.94% and 45.64%, respectively. A significant number of our customers and the majority of the end users of our products are located and primarily operating in Europe, North and South America, and Asia and some of them were adversely impacted by the economic downturn in these economies, disruption in banking and financial systems, economic weakness, unfavourable government policies, rising inflation, lowering of spending power and customer confidence, and political uncertainty.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Financial turmoil in Asia, U.S. and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business, financial condition and results of operations.

The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections in recent years. Financial markets and the supply of credit could continue to be negatively impacted by ongoing concerns surrounding the sovereign debts and/or fiscal deficits of several countries in Europe, the possibility of further downgrades of, or defaults on, sovereign debt, concerns about a slowdown in growth in certain economies and uncertainties regarding the stability and overall standing of the European Monetary Union.

A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in the Indian financial markets and indirectly in the Indian economy in general. Any worldwide financial instability could influence the Indian economy. In response to such developments, legislators and financial regulators in the United States, Europe and other jurisdictions, including India, have implemented several policy measures designed to add stability to the financial markets. In addition, any increase in interest rates by the United States Federal Reserve will lead to an increase in the borrowing costs in the United States which may in turn impact global borrowing as well. Furthermore, in several parts of the world, there are signs of increasing retreat from globalization of goods, services and people, as pressure for the introduction of a protectionist regime is building and such developments could adversely affect Indian exports. However, the overall impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. In the event that the current adverse conditions in the global credit markets continue or if there is any significant financial disruption, this could have an adverse effect on our business, financial condition and results of operations .

In February 2022, hostilities between Russia and the Ukraine commenced, which has led stock, commodities and foreign exchange markets worldwide to fluctuate. In addition, the market price of oil has risen sharply since the commencement of hostilities in the Ukraine, which may have an inflationary effect in India and other countries. A prolonged war or a protracted period of hostilities in the Ukraine may lead to global economic disturbances.

If we are unable to successfully anticipate and respond to changing economic and market conditions, our business, financial condition, results of operations and prospects may be adversely affected.

62. Changing regulations in India could lead to new compliance requirements that are uncertain.

The regulatory and policy environment in which we operate is evolving and is subject to change. The GoI may implement new laws or other regulations and policies that could affect our business in general, which could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the Government and other regulatory bodies, or impose onerous requirements.

For instance, the GoI has recently introduced (a) the Code on Wages, 2019; (b) the Code on Social Security, 2020; (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020 which consolidate, subsume and replace numerous existing central labour legislations. While the rules for implementation under these codes have not been notified, we are yet to determine the impact of all or some such laws on our business and operations which may restrict our ability to grow our business in the future and increase our expenses. In the absence of any precedents on the subject, the application of these provisions is uncertain and may or may not have an adverse tax impact on us.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, financial condition, results of operations and prospects.

63. A slowdown in our exports due to tariffs and trade barriers and international sanctions could adversely affect our business, financial condition and results of operations.

A significant portion of our revenue is derived from exports. From time to time, tariffs, quotas and other tariff and non-tariff trade barriers may be imposed on our products in jurisdictions in which we operate or seek to sell our products. There can be no assurance that the European Community and the United States, among others, where we seek to sell our products will not impose trade restrictions on us in future. We may also be prohibited from exporting to certain restricted countries that may be added to a sanctions list maintained by the Government of India or other foreign governments, such as the Specially Designated Nationals and Blocked Persons list maintained by the Office of Foreign Assets Control of the US Department of Treasury in the United States. In February 2022, hostilities between Russia and the Ukraine commenced, which has led to the imposition of sanctions of various Russian interests (and in some cases Belarus) by the European Union, Australia, Canada, Japan, New Zealand, Switzerland, South Korea, the United Kingdom and the United States. Any such imposition of trade barriers or international sanctions may have an adverse effect on our business, financial condition and results of operations.

64. Natural calamities, climate change and health epidemics and pandemics such as COVID-19 could adversely affect the Indian economy and our business, financial condition, and results of operations. In addition, hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect our business, financial condition and results of operations.

India has experienced natural calamities, such as earthquakes and floods in recent years. Natural calamities could have an adverse impact on the Indian economy which, in turn, could adversely affect our business, and may damage or destroy our manufacturing and R&D facilities or other assets which are concentrated in one location. Any of these natural calamities could adversely affect our business, financial condition and results of operations.

A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine. In addition, the COVID-19 pandemic, has caused a worldwide health crisis and economic downturn. Any future outbreak of health epidemics may restrict the level of business activity in affected areas, which may, in turn, adversely affect our business. See "*Risk Factors - The impact of the COVID-19 pandemic is uncertain and still evolving, and could adversely affect our business, financial condition and results of operations*" on page 33.

Our operations including our manufacturing facilities and research and development activities may be damaged or disrupted as a result of natural calamities. Such events may lead to the disruption of information systems and telecommunication services for sustained periods. They also may make it difficult or impossible for employees to reach our business locations. Damage or destruction that interrupts our provision of services could adversely affect our reputation, our relationships with our customers, our senior management team's ability to administer and supervise our business or it may cause us to incur substantial additional expenditure to repair or replace damaged equipment or rebuild parts of our facilities. Any of the above factors may adversely affect our business, financial condition and results of operations.

India has from time-to-time experienced instances of social, religious and civil unrest and hostilities between neighbouring countries. Recently there have been ongoing mass protest by farmers, against three farm acts which were passed by the Parliament of India in September 2020. The introduction of the law caused protests in several parts of the country like Delhi, Haryana and Punjab. In case there are mass protests leading to civil unrest, such incidents could impact both our operations and adversely affect our business, financial condition and results of operations. Present relations between India and Pakistan continue to be fragile on the issues of terrorism, armaments and Kashmir. In April 2019, skirmishes along India's border with Pakistan and the downing of an Indian military jet fighter plane significantly escalated tensions between the two countries. India has also experienced terrorist attacks in some parts of the country. Military activity or terrorist attacks in the future could influence the Indian economy by disrupting communications and making travel more difficult and such political tensions could create a greater perception that investments in Indian companies involve higher degrees of risk. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy and could have a material adverse effect on the market for securities of Indian companies.

65. Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.

In recent months, consumer and wholesale prices in India have exhibited increased inflationary trends, as the result of an increase in crude oil prices, higher international commodity prices, and higher domestic consumer and supplier prices. The Consumer Price Index increased from 3.4% (average) in Fiscal 2019 to 4.8% (average) in Fiscal 2020 to an estimated 6.2% (average) in Fiscal 2021 although the RBI has enacted certain policy measures designed to curb inflation, these policies may not be successful. In February 2022, hostilities between Russia and the Ukraine commenced. The market price of oil has risen sharply since the commencement of these hostilities which could have an inflationary effect in India. Continued high rates of inflation may increase our expenses related to salaries or wages payable to our employees, raw materials and other expenses. There can be no assurance that we will be able to pass on any additional expenses to our customers or that our revenue will increase proportionately corresponding to such inflation. Accordingly, high rates of inflation in India could have an adverse effect on our business, financial condition and results of operations.

66. Significant differences exist between Ind-AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with Ind-AS contained in this Prospectus.

Our Restated Financial Statements as of, and for the nine month period ended December 31, 2021 and the years ended, March 31, 2021, 2020 and 2019 and have been prepared and presented in accordance with Ind-AS. Ind-AS differs from accounting principles with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Ind-AS, U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with Ind-AS contained in this Prospectus. Accordingly, the degree to which the financial information included in this Prospectus will provide meaningful information is dependent on the prospective investor's familiarity with Ind-AS and the Companies Act. Any reliance by persons not familiar with Ind-AS on the financial disclosures presented in this Prospectus should accordingly be limited.

67. The Indian tax regime is currently undergoing substantial changes which could adversely affect our business and the trading price of the Equity Shares.

Our business, financial condition and results of operations could be adversely affected by any change in the extensive central and state tax regime in India applicable to us and our business. Tax and other levies imposed by the central and state governments in India that affect our tax liability, include central and state taxes and other levies, income tax, turnover tax, goods and service tax, stamp duty and other special taxes and surcharges, which are introduced on a temporary or permanent basis from time to time. This extensive central and state tax regime is subject to change from time to time. The final determination of our tax liability involves the interpretation of local tax laws and related regulations in each jurisdiction, as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred.

For instance, the Government of India has implemented two major reforms in Indian tax laws, namely the GST, and provisions relating to general anti-avoidance rules ("GAAR"). The indirect tax regime in India has undergone a complete overhaul. The indirect taxes on goods and services, such as central excise duty, service tax, central sales tax, state value added tax, surcharge and excise have been replaced by Goods and Service Tax with effect from July 1, 2017. GAAR became effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement may result in, among others, a denial of tax benefit to us and our business. In the absence of any precedents on the subject, the application of these provisions is subjective. If the GAAR provisions are made applicable to us, it may have an adverse tax impact on us. Further, if the tax costs associated with certain of our transactions are greater than anticipated because of a particular tax risk materializing on account of new tax regulations and policies, it could affect our profitability from such transactions.

Further, the Finance Act, 2020, has, amongst others things, notified changes and provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax ("DDT"), will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident and are subject to tax deduction at source. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares.

68. Any adverse change in India's sovereign credit rating by international rating agencies could adversely affect our business, financial condition, results of operations and cash flows.

In November 2016, Standard & Poor's, an international rating agency, reiterated its negative outlook on India's credit rating. It identified India's high fiscal deficit and heavy debt burden as the most significant constraints on its rating, and recommended the implementation of reforms and containment of deficits. Standard & Poor's affirmed its outlook on India's sovereign debt rating to "stable", while reaffirming its "BBB-" rating. In May 2017, Fitch, another international rating agency, affirmed India's sovereign outlook to "stable" and affirmed its rating as "BBB-". In November 2017 Moody's Investors Service ("Moody's") upgraded the Sovereign Credit Rating of India to Baa2 from Baa3 and changed the outlook on the rating to stable from positive. On June 1, 2020, Moody's downgraded India's sovereign rating to the lowest investment grade and maintained the outlook from stable to negative. In October 2021, Moody's affirmed India's sovereign rating to Baa3 with a stable outlook. Prior to the onset of the pandemic, India's GDP growth slowed on account of existing vulnerabilities such as a weak financial sector and subdued private investment. Going forward, the sovereign ratings outlook will remain dependent on whether the government is able to transition the economy into a high-growth environment, as well as exercise adequate fiscal restraint. Any adverse change in India's credit ratings by international rating agencies may adversely impact the Indian economy and consequently our business, financial condition, results of operations and cash flows.

69. The extent and reliability of Indian infrastructure, to the extent insufficient, could adversely impact our business, financial condition and results of operations.

India's physical infrastructure is less developed than that of many developed nations. Any congestion or disruption with its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies including our chemical products, and add costs to doing business in India. These problems could interrupt our business operations, which could have adverse effect on our business, financial condition and results of operations.

70. Foreign investors are subject to foreign investment restrictions under Indian laws which limit our ability to attract foreign investors, which may adversely impact the market price of our Equity Shares.

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain restrictions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then the prior approval of the RBI will be required. Such regulatory restrictions limit our financing sources and could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. Additionally, shareholders who seek to convert the Indian Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/tax clearance certificate from the income tax authority. We cannot assure investors that any required approval from the RBI or any other Indian government agency can be obtained on any particular terms, or at all. For further details, please see on "*Restrictions on Foreign Ownership of Indian Securities*" on page 366.

In terms of Press Note 3 of 2020, dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade ("DPIIT"), the foreign direct investment policy has been recently amended to state that all investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the GoI. Further, in the event of a transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the GoI. Furthermore, on April 22, 2020, the Ministry of Finance, GoI has also made a similar amendment to the FEMA Rules. While the term "beneficial owner" is defined under the Prevention of Money-Laundering (Maintenance of Records) Rules, 2005 and the General Financial Rules, 2017, neither the foreign direct investment policy nor the FEMA Rules provide a definition of the term "beneficial owner". The interpretation of "beneficial owner" and enforcement of this regulatory change involves certain uncertainties, which may have an adverse effect on our ability to raise foreign capital. Further, there is uncertainty regarding the timeline within which the said approval from the GoI may be obtained, if at all.

71. It may not be possible for investors to enforce any judgment obtained outside India against us, the Book Running Lead Managers or any of their directors and executive officers in India respectively, except by way of a lawsuit in India.

Our Company is a limited liability company incorporated under the laws of India. Our Board of Directors comprises members all of whom are Indian citizens. All of our Key Managerial Personnel are residents of India and majority of the assets of our Company and such persons are located in India. As a result, it may not be possible for investors outside India to effect service of process upon our Company or such persons in India, or to enforce against them judgments obtained in courts outside India.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, which includes, among others, the United Kingdom, Singapore, United Arab Emirates and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements of the Code of Civil Procedure, 1908. Judgments or decrees from jurisdictions, which do not have reciprocal recognition with India, cannot be executed in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us or our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. However, the party in whose favour such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in a non-reciprocating territory within three years of obtaining such final judgment in the same manner as any other suit filed to enforce a civil liability in India. If, and to the extent that, an Indian court were of the opinion that fairness and good faith so required, it would, under current practice, give binding effect to the final judgment that had been rendered in the non-reciprocating territory, unless such a judgment contravenes principles of public policy in India. It is unlikely that an Indian court would award damages on the same basis or to the same extent as was awarded in a final judgment rendered by a court in another jurisdiction if the Indian court believed that the amount of damages awarded was excessive or inconsistent with Indian practice. In addition, any person seeking to enforce a foreign judgment in India is required to obtain prior approval of the RBI to repatriate any amount recovered pursuant to the execution of such a judgment.

72. Our business and activities may be regulated by the Competition Act, 2002 and proceedings may be enforced against us.

The Competition Act seeks to prevent business practices that have an appreciable adverse effect on competition in the relevant market in India. Under the Competition Act, any arrangement, understanding or action in concert between enterprises, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition in India is void and attracts substantial monetary penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services, shares the market or source of production or provision of services in any manner by way of allocation of geographical area, type of goods or services or number of consumers in the relevant market or in any other similar way or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an appreciable adverse effect on competition.

The Competition Act also prohibits abuse of a dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be also guilty of the contravention and may be punished. On March 4, 2011, the GoI notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011.These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the Competition Commission of India, or CCI. Additionally, on May 11, 2011, the CCI issued the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

The Competition Act aims to, among other things, prohibit all agreements and transactions, including agreements between vertical trading partners i.e., entities at different stages or levels of the production chain in different markets, which may have an appreciable adverse effect on competition in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. We may also be subject to queries from the CCI pursuant to complaints by consumers or any third persons, which could be made without any or adequate basis given our market presence. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an appreciable adverse effect on competition in India. However, the effect of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage.

Risks Relating to the Equity Shares

73. Our Equity Shares have never been publicly traded, and after the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the Offer Price may not be indicative of the market price of the Equity Shares after the Offer.

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares is proposed to be determined through a book-building process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be influenced by many factors, some of which are beyond our control, including:

- the failure of security analysts to cover the Equity Shares after this Offer, or changes in the estimates of our performance by analysts;
- the activities of competitors and suppliers;
- future sales of the Equity Shares by our Company or our shareholders;
- investor perception of us and the industry in which we operate;
- our quarterly or annual earnings or those of our competitors;
- developments affecting fiscal, industrial or environmental regulations;
- the public's reaction to our press releases and adverse media reports; and
- general economic conditions.

As a result of these factors, investors may not be able to resell their Equity Shares at or above the initial public offering price. In addition, the stock market often experiences price and volume fluctuations that are unrelated or disproportionate to the operating performance of a particular company. These broad market fluctuations and industry factors may materially reduce the market price of the Equity Shares, regardless of our Company's performance. There can be no assurance that the investor will be able to resell their Equity Shares at or above the Offer Price.

74. Currency exchange rate fluctuations may affect the value of the Equity Shares.

The exchange rate between the Rupee and other foreign currencies, including the U.S. Dollar, the British pound sterling, the Euro, the Hong Kong Dollar, the Singapore Dollar and the Japanese Yen, has changed substantially in recent years and may fluctuate substantially in the future. Fluctuations in the exchange rate between the foreign currencies with which an investor may have purchased Rupees may affect the value of the investment in the Company's Equity Shares. Specifically, if there is a change in relative value of the Rupee to a foreign currency, each of the following values will also be affected:

- the foreign currency equivalent of the Rupee trading price of the Company's Equity Shares in India;
- the foreign currency equivalent of the proceeds that you would receive upon the sale in India of any of the Company's Equity Shares; and
- the foreign currency equivalent of cash dividends, if any, on the Company's Equity Shares, which will be paid only in Rupees.

You may be unable to convert Rupee proceeds into a foreign currency of your choice, or the rate at which any such conversion could occur could fluctuate. In addition, the Company's market valuation could be seriously harmed by a devaluation of the Rupee if investors in jurisdictions outside India analyse its value based on the relevant foreign currency equivalent of the Company's results of operations and financial condition.

75. We cannot assure payment of dividends on the Equity Shares in the future.

Our Company has a formal dividend policy as on the date of this Prospectus. Our Company, however, has not declared dividends on our Equity Shares during the current Fiscal Year and the last three Fiscal Years. Our ability to pay dividends in the future will depend upon our dividend policy, future results of operations, financial condition, cash flows, working capital requirements and capital expenditure requirements and other factors considered relevant by our directors and shareholders. Our ability to pay dividends may also be restricted under certain financing arrangements that we may enter into. We cannot assure you that we will be able to pay dividends on the Equity Shares at any point in the future. For details pertaining to dividend declared by us in the past, see "*Dividend Policy*" on page 218.

76. The determination of the Price Band is based on various factors and assumptions and the Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer. Further, the current market price of some securities listed pursuant to certain previous issues managed by the Book Running Lead Managers is below their respective issue prices.

The determination of the Price Band is based on various factors and assumptions, and has been determined by our Company and the Promoter Selling Shareholder in consultation with the Book Running Lead Managers. Furthermore, the Offer Price of the Equity Shares has been determined by our Company and the Promoter Selling Shareholder in consultation with the Book Running Lead Managers through the Book Building Process. These are based on numerous factors, including factors as described under "*Basis for Offer Price*" beginning on page 106 and may not be indicative of the market price for the Equity Shares after the Offer.

In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the Book Running Lead Managers is below their respective issue price. For further details, see "*Other Regulatory and Statutory Disclosures – Price information of past issues handled by the BRLMs*" commencing on page 335. The factors that could affect the market price of the Equity Shares include, among others, broad market trends, financial performance and results of our Company post-listing, and other factors beyond our control. We cannot assure you that an active market will develop or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

77. Investors may be subject to Indian taxes arising out of income arising on the sale of and dividend on the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares held as investments in an Indian company are generally taxable in India. Any capital gain realized on the sale of listed equity shares on a Stock Exchange held for more than 12 months immediately preceding the date of transfer will be subject to long term capital gains in India at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the Stock Exchanges, the quantum of gains and any available treaty relief. Accordingly, we may be subject to payment of long term capital gains tax in India, in addition to payment of Securities Transaction Tax ("STT"), on the sale of any Equity Shares held for more than 12 months immediately preceding the date of transfer. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold.

Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident and the seller is entitled to avail benefits thereunder, subject to certain conditions. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

Similarly, any business income realized from the transfer of Equity Shares held as trading assets is taxable at the applicable tax rates subject to any treaty relief, if applicable, to a non-resident seller. Additionally, in terms of the Finance Act, 2018, which has been notified on March 29, 2018 with effect from April 1, 2018, the tax payable by an assessee on the capital gains arising from transfer of long term capital asset (introduced as section 112A of the Income-Tax Act, 1961) shall be calculated on such long-term capital gains at the rate of 10%, where the long-term capital gains exceed ₹100,000, subject to certain exceptions in case of a resident individuals and HUF.

Further, the Finance Act, 2019 has made various amendments in the taxation laws and has also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non -delivery basis is specified at 0.003% of the consideration amount. These amendments have come into effect from July 1, 2020.

Additionally, the Finance Act does not require DDT to be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividends.

Further, the Government of India has announced the union budget for the Fiscal 2022, pursuant to which the Finance Bill, 2021 ("Finance Bill") has introduced various amendments. The Finance Bill has received assent from the President of India on March 28, 2021, and has been enacted as the Finance Act, 2021 ("Finance Act"). We have not fully determined the impact of these recent and proposed laws and regulations on our business. We cannot predict whether any amendments made pursuant to the Finance Act could have an adverse effect on our business, results of operations, cash flows, financial condition and prospects. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

78. QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid, and Retail Individual Investors are not permitted to withdraw their Bids after Bid/Offer Closing Date.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to pay the Bid Amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid

Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date. While our Company is required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed including Allotment pursuant to the Offer within six Working Days from the Bid/Offer Closing Date, or such other time period as required under the applicable laws, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

79. Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.

Under the Companies Act, a company having share capital and incorporated in India must offer holders of its Equity Shares pre-emptive rights to subscribe and pay for a proportionate number of Equity Shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the Equity Shares who have voted on such resolution. However, if the laws of the jurisdiction that holders are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, the holders will be unable to exercise such pre-emptive rights unless we make such a filing. The Company may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to the holders. To the extent that the holders are unable to exercise pre-emptive rights granted in respect of the Equity Shares, they may suffer future dilution of your ownership position and their proportional interests in our Company would be diluted.

80. Any future issuance of Equity Shares or convertible securities or other equity linked securities by our Company may dilute holders' shareholding and sales of the Equity Shares by our major shareholders may adversely affect the trading price of the Equity Shares.

Any future equity issuances by us, including a primary offering, may lead to the dilution of investors' shareholdings in us. Any disposal of Equity Shares by our major shareholders or the perception that such issuance or sales may occur, including to comply with the minimum public shareholding norms applicable to listed companies in India may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of the Equity Shares or incurring additional debt. Additionally, the disposal, pledge or encumbrance of the Equity Shares by any of our significant Shareholders, or the perception that such transactions may occur, may affect the trading price of the Equity Shares. There can be no assurance that we will not issue further Equity Shares or that the shareholders will not dispose of the Equity Shares. Such securities may also be issued at prices below the Offer Price. Any future issuances could also dilute the value of your investment in the Equity Shares. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of the Equity Shares.

81. A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Such provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of our Company. Under the Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted.

82. Rights of shareholders of companies under Indian law may be more limited than under the laws of other jurisdictions.

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and widespread as shareholders' rights under the laws of other countries or jurisdictions.

83. The requirements of being a listed company may strain our resources.

We are not a listed company and have historically not been subjected to the compliance requirements and increased scrutiny of our affairs by Shareholders, regulators and the public at large associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI Listing Regulations which will require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations or cash flows as promptly as other listed companies.

Further, as a listed company, we will be required to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management's attention may be diverted from our business concerns, which may adversely affect our business, prospects, financial condition, results of operations and cash flows. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.

84. Investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Offer.

The Equity Shares will be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. Investors' book entry, or demat accounts with depository participants in India, are expected to be credited within one working day of the date on which the Basis of Allotment is approved by the Stock Exchanges. The Allotment of Equity Shares in this Offer and the credit of such Equity Shares to the applicant's demat account with depository participant and trading approvals from the Stock Exchanges is expected to be completed within the period as may be prescribed under applicable law. There could be a failure or delay in listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise commence trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

SECTION IV: INTRODUCTION

THE OFFER

The following table summarizes the details of the Offer:

The Offer of Equity Shares	12,586,355* Equity Shares aggregating to ₹ 8,080.44 million
of which	
Fresh Issue(1)^	9,766,355* Equity Shares aggregating to ₹ 6,270.00 million*
Offer for Sale(2)	2,820,000* Equity Shares aggregating to ₹ 1,810.44 million* by the Promoter Selling Shareholder
of which	
Employee Reservation Portion	111,370* Equity Shares aggregating to ₹ 71.50 million*
Net Offer	12,474,985* Equity Shares aggregating to ₹ 8,008.94 million*
Net Offer consists of(3)	
A) QIB Portion(3) (4)	6,237,492* Equity Shares
of which	
Anchor Investor Portion	3,742,495* Equity Shares
Net QIB Portion available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	2,494,997* Equity Shares
of which	
Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	124,750* Equity Shares
Balance of the Net QIB Portion for all QIBs including Mutual Funds	2,494,996* Equity Shares
B) Non-Institutional Portion(4)(5)	1,871,248* Equity Shares
C) Retail Portion(4)	4,366,245* Equity Shares
Pre and post Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as of the date of the Red Herring Prospectus)	114,716,318 Equity Shares
Equity Shares outstanding after the Offer	124,482,673* Equity Shares
Use of Net Proceeds	Please see the section entitled "*Objects of the Offer*" on page 92 for information about the use of the Net Proceeds. Our Company will not receive any proceeds from the Offer for Sale.

** Subject to finalization of Basis of Allotment*

^ Our Company, in consultation with the BRLMS, has undertaken a Pre-IPO Placement of 2,024,921 Equity Shares aggregating to ₹ 1,300.00 million. The size of the Fresh Issue of Equity Shares aggregating to ₹ 7,570.00 million has been reduced by ₹ 1,300.00 million pursuant to the Pre-IPO Placement and accordingly, the Fresh Issue comprises of 9,766,355 Equity Shares aggregating to ₹ 6,270.00 million.

(1) *The Offer has been authorized by a resolution of our Board dated April 28, 2022, and a special resolution of our Shareholders dated April 28, 2022.*

(2) *The Promoter Selling Shareholder confirms that the Offered Shares have been held by her for a period of at least one year prior to the filing of the Red Herring Prospectus and this Prospectus, and are accordingly eligible for being offered for sale in the Offer in compliance with the SEBI ICDR Regulations. For more details, see "Capital Structure" beginning on page 75. The Promoter Selling Shareholder has confirmed and approved her participation in the Offer for Sale as set out below:*

S. No.	***Name of Selling Shareholder***	***Number of Equity Shares offered in the Offer for Sale***	***Date of consent letter***
1.	*Purnima Ashwin Desai*	*Up to 2,820,000*	*April 27, 2022*

For further details, please see "Offer Procedure – Undertakings by the Promoter Selling Shareholder" on page 364.

(3) *Our Company and the Promoter Selling Shareholder have, in consultation with the BRLMs, have allocated up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. The QIB Portion is accordingly be reduced for the shares allocated to Anchor Investors. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids having been received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. 5% of the Net QIB*

Portion was available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion was available for allocation on a proportionate basis to all Net QIB Bidders, including Mutual Funds, subject to valid Bids having been received at or above the Offer Price. For details, please see the section entitled "Offer Procedure" on page 349. Allocation to all categories shall be made in accordance with SEBI ICDR Regulations.

(4) *Subject to valid Bids having been received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would have been allowed to be met with spill over from any other category or combination of categories at the discretion of our Company and the Promoter Selling Shareholder in consultation with the BRLMs and the Designated Stock Exchange subject to appliable law. In the event of an undersubscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, the Allotment for the valid Bids would have been be made in the first instance towards subscription for 90% of the Fresh Issue. Under-subscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. If there remain any balance valid Bids in the Offer, the Allotment for the balance valid Bids will be made pro rata towards Equity Shares offered by Promoter Selling Shareholder, and thereafter, towards the balance Fresh Issue. For further details, please see the section entitled "Offer Procedure" on page 349.*

(5) *The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, was subject to the following: (i) one-third of the portion available to Non-Institutional Bidders was reserved for applicants with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million, and (ii) two-third of the portion available to Non-Institutional Bidders was reserved for applicants with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories was allocated to applicants in the other sub-category of Non-Institutional Bidders. The allotment to each Non-Institutional Bidder was not less than the Minimum NIB Application Size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis. For details, see "Offer Procedure" beginning on page 349.*

Allocation to Bidders in all categories, except the Anchor Investor Portion, Non-Institutional Portion and the Retail Portion, if any, was made on a proportionate basis subject to valid Bids having been received at or above the Offer Price. The allocation to each Retail Individual Bidder was not less than the minimum Bid Lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, were Allocated on a proportionate basis. The allocation to each Non-Institutional Investor was not less than ₹ 200,000, subject to the availability of Equity Shares in Non-Institutional Investors' category, and the remaining Equity Shares, if any, were allocated on a proportionate basis or in any other manner as introduced under applicable laws. Allocation to Anchor Investors was on a discretionary basis. For further details, please see the section entitled "*Offer Procedure*" on page 349.

For details, including in relation to grounds for rejection of Bids, please see the sections entitled "*Offer Structure*" and "*Offer Procedure*" on pages 345 and 349, respectively. For details of the terms of the Offer, please see the section entitled "*Terms of the Offer*" on page 340.

SUMMARY FINANCIAL INFORMATION

The following tables set forth summary financial information derived from the Restated Financial Statements.

The Restated Financial Statements has been prepared, based on financial statements as at and for the nine months ended December 31, 2021 and December 31, 2020 and the Fiscals 2021, 2020 and 2019. The Restated Financial Statements have been prepared in accordance with Ind AS and the Companies Act 2013, restated in accordance with the SEBI ICDR Regulations and are presented in the section entitled "Financial Information" on page 219.

The summary financial information presented below should be read in conjunction with the sections entitled "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 219 and 282 respectively.

[*The remainder of this page has intentionally been left blank*]

RESTATED STATEMENT OF ASSETS AND LIABILITIES

(in ₹ million)

Particulars	As at December 31, 2021	As at December 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
ASSETS					
Non-current assets					
Property, plant and equipment	2,392.60	1,903.20	2,064.98	1,205.97	987.96
Capital work-in-progress	57.22	30.68	1.98	172.27	12.44
Right-of-use assets	214.09	93.16	91.74	81.58	68.12
Other intangible assets	4.98	5.40	5.61	5.75	6.95
Financial assets					
(i) Investments	2.09	2.09	2.09	2.09	2.09
(ii) Other financial assets	18.47	17.57	15.34	20.24	20.17
Other non-current assets	231.41	18.69	12.42	38.88	7.93
Total non-current assets	**2,920.86**	**2,070.79**	**2,194.16**	**1,526.78**	**1,105.66**
Current assets					
Inventories	1,497.48	683.06	847.28	719.39	398.36
Financial assets					
(i) Investments	191.31	0.13	220.90	0.13	0.12
(ii) Trade receivables	1,691.78	1,073.51	1,082.40	629.70	481.94
(iii) Cash and cash equivalents	55.64	14.30	35.14	0.73	0.98
(iv) Bank balances other than (iii) above	429.15	20.01	20.49	35.27	12.03
(v) Loans	9.82	7.95	7.92	7.04	5.12
(vi) Other financial assets	2.02	3.75	5.71	0.60	1.68
Other current assets	297.56	127.45	115.44	85.02	60.86
Total current assets	**4,174.75**	**1,930.16**	**2,335.28**	**1,477.89**	**961.09**
Total assets	**7,095.61**	**4,000.95**	**4,529.44**	**3,004.67**	**2,066.75**
EQUITY & LIABILITIES					
Equity					
Equity share capital	1,126.91	85.60	100.99	85.60	85.60
Other equity	2,475.85	1,178.39	1,642.34	697.17	299.85
Total equity	**3,602.76**	**1,263.99**	**1,743.33**	**782.77**	**385.45**
Liabilities					
Non-current Liabilities					
Financial Liabilities					

Particulars	As at December 31, 2021	As at December 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
(i) Borrowings	1,018.46	1,100.54	1,037.87	950.98	757.20
(ii) Lease liabilities	52.99	27.57	27.11	15.94	2.67
Deferred tax liabilities (net)	127.53	98.77	102.07	76.42	33.76
Total non-current liabilities	**1,198.98**	**1,226.89**	**1,167.05**	**1,043.34**	**793.63**
Current liabilities					
Financial liabilities					
(i) Borrowings	1,328.84	957.49	1,044.13	753.91	504.07
(ii) Lease liabilities	8.56	4.00	3.56	2.54	0.94
(iii) Trade payables					
a) total outstanding dues of micro enterprises and small enterprises	131.87	109.19	89.35	49.80	42.46
b) total outstanding dues of creditors other than micro enterprises and small enterprises	727.77	361.73	388.38	333.77	185.61
(iv) Other financial liabilities	44.78	38.63	44.43	15.75	18.18
Other current liabilities	45.37	34.46	41.51	16.01	119.20
Provisions	3.96	4.60	-	0.05	-
Current tax liabilities (net)	2.73	(0.05)	7.70	6.73	17.21
Total current liabilities	**2,293.86**	**1,510.07**	**1,619.06**	**1,178.56**	**887.67**
Total liabilities	**3,492.85**	**2,736.96**	**2,786.11**	**2,221.90**	**1,681.30**
Total equity and liabilities	**7,095.61**	**4,000.95**	**4,529.44**	**3,004.67**	**2,066.75**

RESTATED STATEMENT OF PROFITS AND LOSSES

(in ₹ million)

Particulars	For the nine months ended December 31, 2021	For the nine months ended December 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Income					
Revenue from operations	4,425.44	3,340.90	4,498.16	3,018.06	2,011.80
Other Income	67.71	32.50	39.73	19.75	20.97
Total income	**4,493.15**	**3,373.41**	**4,537.89**	**3,037.81**	**2,032.77**
Expenses					
Cost of materials consumed operation and incidental cost	2,746.01	1,738.15	2,249.16	1,729.90	1,142.51
Changes in inventories of finished goods and work-in-progress	(597.24)	38.21	57.72	(168.35)	(46.76)
Employee benefits expense	212.85	160.75	221.13	133.76	109.46
Finance costs	100.35	79.69	113.15	93.76	106.00
Depreciation and amortisation expense	114.19	83.67	110.11	78.48	64.07
Other expenses	803.87	638.38	848.56	605.19	331.52
Total expenses	**3,380.03**	**2,738.84**	**3,599.83**	**2,472.74**	**1,706.80**
Profit before tax	**1,113.11**	**634.57**	**938.06**	**565.07**	**325.97**
Tax expense:					
Current tax	258.12	129.22	201.00	121.92	70.34
Deferred tax	25.94	22.80	25.87	43.59	22.28
Total Tax Expenses	284.05	152.03	226.87	165.51	92.62
Profit for the period (A)	**829.06**	**482.54**	**711.19**	**399.56**	**233.35**
Other comprehensive (loss)/ income					
Items that will not be reclassified subsequently to profit or loss					
(i) Remeasurements of defined benefit liability / (asset)	(1.90)	(1.78)	(0.86)	(3.16)	(0.96)
(i) Income tax relating to remeasurements of defined benefit liability / (asset)	0.48	0.45	0.22	0.92	0.21
	(1.42)	**(1.33)**	**(0.64)**	**(2.24)**	**(0.75)**
Total comprehensive income for the period (A+ B)	**827.64**	**481.21**	**710.55**	**397.32**	**232.60**
Earnings per equity share					
[nominal value of ₹ 10]					
Basic	7.45	5.12	7.36	4.24	2.48
Diluted	7.45	5.12	7.36	4.24	2.48

RESTATED STATEMENT OF CASH FLOWS

(in ₹ million)

Particulars	For the nine months ended December 31, 2021	For the nine months ended December 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
A. Cash flow from operating activities					
Profit before tax	1,113.11	634.57	938.06	565.07	325.97
Adjustments to reconcile profit before tax to net cash flows:					
Net unrealised foreign exchange (gain)/loss	(7.28)	2.06	0.90	4.84	(4.76)
Finance costs	100.35	79.69	113.15	93.76	106.00
Interest income	(2.18)	(0.33)	(1.00)	(1.71)	(1.25)
Income from Mutual Funds	(2.71)	-	-	(0.15)	(0.46)
Depreciation and amortisation expenses	114.19	83.67	110.11	78.48	64.07
Operating profit before working capital changes	**1,315.49**	**799.65**	**1,161.22**	**740.29**	**489.57**
Movement in working capital:					
(Increase)/Decrease in trade receivables	(609.38)	(443.81)	(468.46)	(130.54)	(218.64)
(Increase) / Decrease in current investments	29.59	-	(220.77)	(0.01)	(0.01)
(Increase)/Decrease in inventories	(650.20)	36.33	(127.89)	(321.03)	(174.22)
(Increase)/Decrease in other current assets	(182.12)	(42.43)	(33.61)	(20.97)	(19.29)
(Increase)/Decrease in other financial assets	(1.35)	(1.39)	(1.09)	(0.91)	(0.90)
Increase/(Decrease) in trade payables	381.91	87.35	97.45	149.46	92.36
Increase/(Decrease) in provisions other than income tax	2.06	2.77	(0.91)	(3.11)	(0.96)
Increase/(Decrease) in other current liabilities	3.86	18.23	26.03	(103.81)	117.27
Cash generated from operations	**289.87**	**456.71**	**431.97**	**309.37**	**285.18**
Net income tax (paid)	(265.83)	(137.82)	(200.01)	(132.42)	(57.74)
Net cash from operating activities (A)	**24.04**	**318.89**	**231.96**	**176.95**	**227.44**
B. Cash flows from investing activities					
Purchase of property, plant and equipment	(527.66)	(777.23)	(969.95)	(291.20)	(123.43)
Proceeds on sale/maturity of financial assets	-	-	-	0.15	0.46
Capital work in progress and capital advance	(274.23)	161.77	196.75	(190.78)	(1.82)
Dividend from current investments	4.88	0.33	1.00	1.71	1.25
Proceeds from disposal of property, plant and equipment	-	0.56	6.27	-	0.71
Loans (Financial assets)	-	-	-	-	(3.13)
Net cash used in investing activities (B)	**(797.01)**	**(614.56)**	**(765.93)**	**(480.12)**	**(125.96)**
C. Cash flows from financing activities					
Proceeds / (Repayment) from long-term borrowings	57.52	182.17	432.18	221.36	(119.08)
Proceeds / (Repayment) of borrowings (Unsecured)	23.50	15.00	15.10	20.20	14.56
Proceeds / (repayment) from working capital facilities (net)	184.28	155.98	194.06	183.45	110.41

Particulars	For the nine months ended December 31, 2021	For the nine months ended December 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Preferential allotment of Shares	1,031.80	-	-	-	-
Proceeds / (repayment) of Other Financial liabilities	5.36	20.52	25.41	(5.08)	0.62
Interest paid	(100.35)	(79.69)	(113.15)	(93.77)	(106.00)
Net cash used in financing activities (C)	**1,202.11**	**293.98**	**553.60**	**326.16**	**(99.49)**
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	**429.15**	**(1.69)**	**19.63**	**22.99**	**1.99**
Cash and cash equivalents at the beginning of the period / year	55.63	36.00	36.00	13.01	11.02
Cash and cash equivalents at the end of the period / year	**484.78**	**34.31**	**55.63**	**36.00**	**13.01**
Notes:-					
1. Cash and cash equivalents include					
Cash on hand	0.51	0.44	0.39	0.43	0.32
Balances with bank					
- Current accounts	49.19	0.14	0.15	0.13	0.66
- EEFC accounts	5.94	13.72	34.60	0.17	-
Other bank balances	429.15	20.01	20.49	35.27	12.03
	484.78	**34.31**	**55.63**	**36.00**	**13.01**

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.

Significant non-cash movement in investing and financing activities	For the nine months ended December 31, 2021	For the nine months ended December 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Conversion of Preference Shares to Equity Shares	-	-	(250.00)	-	-
Foreign exchange fluctuations	(0.81)	(22.16)	(14.23)	18.60	-
Acquisition of Right-of-use assets with corresponding impact to lease liabilities	35.87	15.46	15.46	17.55	4.25

The above statement should be read with basis of preparation, significant accounting policies and notes forming part of the Restated Financial Statements appearing in Annexure VI and Statement of Adjustments to Audited Financial Statements appearing in Annexure VII as per the report attached.

GENERAL INFORMATION

Our Company was originally incorporated as Aether Industries Limited on January 23, 2013, at Surat, Gujarat, India as a public limited company under the Companies Act, 1956 and received the certificate for commencement of business from RoC on March 18, 2013.

For details of the business of our Company, please see the section entitled "*Our Business*" on page 153.

Registered and Corporate Office
Plot No. 8203,
GIDC, Sachin,
Surat - 394230,
Gujarat, India

For details in relation to the change in the Registered Office of our Company, see "*History and Certain Corporate Matters - Changes in our Registered Office*" on page 189.

Company Registration Number and Corporate Identity Number

The registration number and corporate identity number of our Company are as follows:

Registration number: 073434
Corporate identity number: U24100GJ2013PLC073434

Address of the RoC

Our Company is registered with the RoC situated at the following address:

Registrar of Companies, Gujarat at Ahmedabad
ROC Bhavan,
Opp Rupal Park Society,
Behind Ankur Bus Stop,
Naranpura, Ahmedabad-380013
Gujarat, India

Filing

A copy of the Draft Red Herring Prospectus had been filed electronically through the SEBI intermediary portal at https://siportal.sebi.gov.in, in accordance with SEBI circular bearing reference SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018 and at cfddil@sebi.gov.in, in accordance with the instructions issued by the SEBI on March 27, 2020, in relation to "Easing of Operational Procedure – Division of Issues and Listing – CFD".

A copy of the Red Herring Prospectus, along with the material contracts and documents, has been filed with the RoC in accordance with Section 32 of the Companies Act, 2013, and a copy of this Prospectus required to be filed under Section 26 of the Companies Act, 2013 will be filed with the RoC at its office, and through the electronic portal at http://www.mca.gov.in/mcafoportal/loginvalidateuser.do.

Board of Directors

The Board of our Company as on the date of this Prospectus comprises the following:

Name	Designation	DIN	Address
Ashwin Jayantilal Desai	Managing Director	00038386	Aangan, 40, Jaldarshan Society, B/H Gokul Row House Umra, Surat City, SVR College, Surat - 395007, Gujarat, India
Purnima Ashwin Desai	Whole-time Director	00038399	Aangan, 40, Jaldarshan Society, B/H Gokul Row House Umra, Surat City, SVR College, Surat - 395007, Gujarat, India
Rohan Ashwin Desai	Whole-time Director	00038379	Aangan, 40, Jaldarshan Society, B/H Gokul Row House Umra, Surat City, SVR College, Surat - 395007, Gujarat, India

Name	Designation	DIN	Address
Dr. Aman Ashvin Desai	Whole-time Director	00043633	Aangan, 40, Jaldarshan Society, B/H Gokul Row House Umra, Surat City, SVR College, Surat - 395007, Gujarat, India
Kamalvijay Ramchandra Tulsian	Chairperson and Non-Executive Director	00190840	151-C, Jamna Nagar Society, Near Shivaji Park, Ghod Dod Road, Surat- 395007, Gujarat, India
Ishita Surendra Manjrekar	Non-Executive Director	06731016	111/112, Kuber Tower, A.V. Nagvekar Marg, Prabhadevi, Mumbai - 400025, Maharashtra, India
Arun Brijmohan Kanodiya	Non-Executive Independent Director	03449000	5A, Arnav Apartment, City Light, Umra, Surat - 395007, Gujarat, India
Jeevan Lal Nagori	Non-Executive Independent Director	00017939	D-1004, Panchsheel Heights, Mahavir Nagar, Kandivali West, Mumbai - 400067, Maharashtra, India
Leja Satish Hattiangadi	Non-Executive Independent Director	00198720	1202, Solitaire Building, Orchard Avenue, Hiranandani Gardens, Powai, Mumbai - 400076, Maharashtra, India
Dr. Amol Arvindrao Kulkarni	Non-Executive Independent Director	09311097	E-84, NCL Colony, Dr. Homi Bhabha Road, Pashan, Pune City, Pune, N.C.L Pune - 411008, Maharashtra, India
Rajkumar Mangilal Borana	Non-Executive Independent Director	01091166	28, Rajhans Felix Society, Nr. Khatiawala School, Rundh, Surat - 395007, Gujarat, India
Jitendra Popatlal Vakharia	Non-Executive Independent Director	00191088	12, Narayan Bunglow, Behind Rajhans Cinema, Dumas Road, Surat City – 395007, Gujarat, India

For brief profiles and further details of our Board, please see the section entitled "*Our Management*" on page 196.

Company Secretary and Compliance Officer

Chitrarth Rajan Parghi
Plot No. 8203, GIDC Sachin,
Surat - 394230, Gujarat, India.
Tel: +91 261 660 3360
Email: compliance@aether.co.in

Book Running Lead Managers

HDFC Bank Limited
Investment Banking Group
Unit No. 401 & 402, 4th Floor, Tower B,
Peninsula Business Park, Lower Parel,
Mumbai- 400013,
Maharashtra, India
Telephone: +91 22 3395 8233
Email: aetherindustries.ipo@hdfcbank.com
Investor grievance e-mail: investor.redressal@hdfcbank.com
Website: www.hdfcbank.com
Contact person: Ravi Sharma/Harsh Thakkar
SEBI registration number: INM000011252

Kotak Mahindra Capital Company Limited
27 BKC, 1st Floor, Plot No. C-27, 'G' Block
Bandra Kurla Complex, Bandra (East)
Mumbai - 400051
Maharashtra, India
Telephone: +91 22 4336 0000
E-mail: aetherindustries.ipo@kotak.com
Investor grievance e-mail: kmccredressal@kotak.com
Website: https://investmentbank.kotak.com
Contact person: Ganesh Rane
SEBI registration number: INM000008704

Syndicate Members

HDFC Securities Limited
iThink Techno Campus Building – B
"Alpha", Office 8, Opp. Crompton Greaves
Near Kanjurmarg Station, Kanjurmarg (East)
Mumbai - 400 042
Maharashtra, India
Telephone: +91 22 3075 3400
Email: customercare@hdfcsec.com
Website: www.hdfcsec.com
Contact person: Shamila Kambli
SEBI registration number: INZ000186937

Kotak Securities Limited
4th floor, 12BKC, G Block,
Bandra Kurla Complex,
Bandra (East)
Mumbai - 400 051
Maharashtra, India
Telephone: +91 22 6218 5470
Email: umesh.gupta@kotak.com
Website: www.kotak.com
Contact person: Umesh Gupta
SEBI registration number: INZ000200137

Legal Counsel to our Company

J. Sagar Associates
Vakils House
18 Sprott Road, Ballard Estate
Mumbai - 400 001
Maharashtra, India
Telephone: +91 22 4341 8600

Legal Counsel to the BRLMs as to Indian Law

Trilegal
Peninsula Business Park
17th Floor, Tower B
Ganpat Rao Kadam Marg
Lower Parel (West)
Mumbai - 400 013,
Maharashtra, India
Telephone: +91 22 4079 1000

International Legal Counsel to the BRLMs

Dentons US LLP
2000 McKinney Avenue
Suite 1900
Dallas, Texas 75201
United States
Telephone: + 1 (214) 259 0952

Statutory Auditors to our Company

M/s. Birju S. Shah & Associates
113, International Business Centre,
Nr. Big Bazar,
Surat -395007,
Gujarat, India
Email: cabirjjushah@gmail.com
Telephone: +91-261-2220900
Firm registration number: 131554W
Peer review number: 013598

Registrar to the Offer

Link Intime India Private Limited
C 101, 1st Floor, 247 Park
L.B.S. Marg,
Vikhroli (West), Mumbai 400 083
Maharashtra, India
Telephone: +91 22 4918 6200
E-mail: aether.ipo@linkintime.co.in
Website: www.linkintime.co.in
Investor grievance e-mail: aether.ipo@linkintime.co.in
Contact person: Shanti Gopalkrishnan
SEBI registration number: INR000004058

Banker(s) to the Offer

Public Offer Bank / Escrow Collection Bank / Refund Bank

HDFC Bank Limited
ALFA Building, FIG – OPS Department – Lodha,
I Think Techno Campus O-3 Level,

Next to Kanjurmarg Station,
Kanjurmarg (East),
Mumbai – 400 042
Maharashtra, India
Telephone: +91 22 3075 2927 / +91 22 3075 2928 / +91 22 3075 2914
E-mail: Tushar.Gavankar@hdfcbank.com, Siddharth.Jadhav@hdfcbank.com, Prasanna.Uchil@hdfcbank.com, Neerav.Desai@hdfcbank.com
Website: www.hdfcbank.com
Contact person: Tushar Gavankar / Siddharth Jadhav / Prasanna Uchil / Neerav Desai
SEBI registration number: INBI00000063

Sponsor Banks

Axis Bank Limited
Plot No. 414/1, Road No. 4,
Bank Cross Road, Sachin
Telephone: +91 90993 13601
E-mail: Sachin.branchhead@axisbank.com
Website: www.axisbank.com
Contact person: Omkishan Patel
SEBI registration number: INBI00000017

HDFC Bank Limited
ALFA Building, FIG – OPS Department – Lodha,
I Think Techno Campus O-3 Level,
Next to Kanjurmarg Station,
Kanjurmarg (East),
Mumbai – 400 042
Maharashtra, India
Telephone: +91 22 3075 2927 / +91 22 3075 2928 / +91 22 3075 2914
E-mail:Tushar.Gavankar@hdfcbank.com, Siddharth.Jadhav@hdfcbank.com, Prasanna.Uchil@hdfcbank.com, Neerav.Desai@hdfcbank.com
Website: www.hdfcbank.com
Contact person: Tushar Gavankar / Siddharth Jadhav / Prasanna Uchil / Neerav Desai
SEBI registration number: INBI00000063

Kotak Mahindra Bank Limited
Kotak Infinity, 6th floor, Building No. 21,
Infinity Park, Off Western Express Highway
General AK Vaidya Marg, Malad (East)
Telephone: +91 22 6605 6588
E-mail: cmsipo@kotak.com
Website: www.kotak.com
Contact person: Kushal Patankar
SEBI registration number: INBI00000927

Bankers to our Company

HDFC Bank Limited
Emerging Corporate Group Department,
HDFC Bank, Ground Floor, SNS Axis Building,
Near Gandhi Smruti Bhavan, Nanpura,
Surat - 395001
Telephone: +91 261 246 0653
Email: ravi.bhojani@hdfcbank.com
Website: www.hdfcbank.com
Contact person: Ravi Bhojani

State Bank of India
A-201, International Commerce Center,
Opp Civil Hospital, Ring Road,
Surat – 395002, Gujarat, India
Telephone: +91 261 270 2952
Email: sbi.14396@sbi.co.in
Website: www.sbi.co.in
Contact person: Santosh Suman

Self-Certified Syndicate Banks

The list of SCSBs notified by SEBI for the ASBA process is available at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes on the SEBI website, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated Branches of the SCSBs with which an ASBA Bidder (other than an

RIB using the UPI mechanism), not Bidding through Syndicate/Sub Syndicate or through a Registered Broker, could submit the ASBA Forms is available at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 on the SEBI website, and at such other websites as may be prescribed by SEBI from time to time.

Further, the branches of the SCSBs where the Designated Intermediaries could submit the ASBA Form(s) of Bidders (other than RIBs) is provided on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors and RIBs) submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the Members of the Syndicate is available on the website of the SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35, which may be updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35 or any such other website as may be prescribed by SEBI from time to time.

SCSBs eligible as issuer banks for UPI Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, UPI Bidders using the UPI Mechanism could only apply through the SCSBs and mobile applications using the UPI handles specified on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 and at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43, or any such other website as may be prescribed by SEBI from time to time.

Registered Brokers

Bidders could submit ASBA Forms in the Offer using the stock broker network of the stock exchange, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers eligible to accept ASBA forms from the Bidders (other than RIBs), including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and www.nseindia.com/products/content/equities/ipos/asba_procedures.htm respectively, or such other websites as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms from Bidders (other than RIBs) at the Designated CDP Locations, including details such as their name and contact details, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, or such other websites as updated from time to time.

Experts

Except as stated below, our Company has not obtained any expert opinions:

a) Our Company has received written consent from the Auditors namely, M/s. Birju S. Shah & Associates, Chartered Accountants, to include their name as "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as a Statutory Auditor and in respect of their examination report dated April 28, 2022 on our Restated Financial Statements and the statement of special tax benefits dated May 7, 2022 included in the Red Herring Propsectus and this Prospectus, and such consent has not been withdrawn as of the date of this Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under Securities Act.

b) Our Company has received written consent dated May 16, 2022, from the independent chartered engineer, namely Dr. Pankaj Jayantilal Gandhi (registration number: AM089164-1), to include their name in the Red Herring Propsectus and this

Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013, to the extent and in their capacity as a chartered engineer, in relation to his certificate dated May 16, 2022 certifying the capacity utilisation at our present manufacturing facilities and estimated cost for the Proposed Greenfield Project and such consent has not been withdrawn as on the date of this Prospectus.

Changes in Auditors

The changes in our statutory auditors in the three years preceding the date of this Prospectus are as follows:

Sr. No.	Date of change	Nature of change	Name of Statutory Auditor
1.	January 30, 2021	Resignation on account of professional compulsions	M/s. ARAV & Co.
2.	February 6, 2021	Appointment	M/s. Birju S. Shah & Associates

Monitoring Agency

Our Company has appointed HDFC Bank Limited as the monitoring agency for monitoring the utilisation of the Net Proceeds from the Fresh Issue under Regulation 41 the SEBI ICDR Regulations.

Appraising Entity

None of the objects of the Offer for which the Net Proceeds will be utilised have been appraised by any agency. Accordingly, no appraising entity has been appointed in relation to the Offer

Grading of the Offer

No credit rating agency registered with SEBI has been appointed for grading the Offer.

Inter-se allocation of Responsibilities

The following table sets forth the inter-se allocation of responsibilities for various activities among the BRLMs for the Offer:

Sr. No.	Activity	Responsibility	Co-ordination
1.	Capital structuring, due diligence of Company including its operations / management / business plans / legal etc., Drafting and design of Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus. Ensure compliance and completion of prescribed formalities with the Stock Exchanges, SEBI and RoC including finalisation of RHP, Prospectus and RoC filing	BRLMs	HDFC
2.	Drafting and approval of all statutory advertisements	BRLMs	HDFC
3.	Drafting and approval of all publicity material other than statutory advertisements as mentioned in point 2 above, including corporate advertising and brochures and filing of media compliance report.	BRLMs	Kotak
4.	Appointment of intermediaries - Registrar to the Offer, advertising agency, Banker(s) to the Offer, Sponsor Bank, printer and other intermediaries, including coordination of all agreements to be entered into with such intermediaries	BRLMs	HDFC
5.	International institutional marketing of the Offer, which will cover, inter alia: • Preparation of road show presentation and FAQs • Marketing strategy • Finalising the list and division of international investors for one-to-one meetings • Finalising international road show and investor meeting schedules	BRLMs	Kotak
6.	Domestic institutional marketing of the Offer, which will cover, inter alia: • Marketing Strategy • Finalising the list and division of domestic investors for one-to-one meetings	BRLMs	HDFC

Sr. No.	Activity	Responsibility	Co-ordination
	• Finalising domestic road show and investor meeting schedules		
7.	Conduct retail marketing of the Offer, which will cover, inter-alia: • Finalising media, marketing, public relations strategy and publicity budget • Finalising brokerage, collection centres • Finalising centres for holding conferences for brokers etc. • Follow-up on distribution of publicity and Offer material including form, RHP/ Prospectus and deciding on the quantum of the Offer material	BRLMs	Kotak
8.	Conduct non-institutional marketing of the Offer, which will cover, inter-alia: • Finalising media, marketing, public relations strategy and publicity budget • Finalising centres for holding conferences etc.	BRLMs	HDFC
9.	Coordination with Stock Exchanges for Anchor coordination, Anchor CAN and intimation of anchor allocation, book building software, bidding terminals and mock trading and deposit of 1% security deposit with the designated stock exchange	BRLMs	HDFC
10.	Managing the book and finalization of pricing in consultation with Company and Promoter Selling Shareholder	BRLMs	Kotak
11.	Post-Offer activities – management of escrow accounts, finalisation of the basis of allotment based on technical rejections, post Offer stationery, essential follow-up steps including follow-up with bankers to the Offer and Self Certified Syndicate Banks and coordination with various agencies connected with the post-offer activity such as registrar to the offer, bankers to the offer, Self-Certified Syndicate Banks etc. listing of instruments, demat credit and refunds/ unblocking of monies, announcement of allocation and dispatch of refunds to Bidders, etc., payment of the applicable STT on behalf of Promoter Selling Shareholder, coordination for investor complaints related to the Offer, including responsibility for underwriting arrangements, submission of final post issue report and coordination with SEBI and Stock Exchanges for refund of 1% security deposit.	BRLMs	Kotak

Credit Rating

As this is an Offer consisting only of Equity Shares, there is no requirement to obtain credit rating for the Offer.

Debenture Trustees

As this is an Offer consisting only of Equity Shares, the appointment of debenture trustees is not required.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms and the Revision Forms within the Price Band, which was decided by our Company and the Promoter Selling Shareholder, in consultation with the BRLMs and, was advertised in all editions of the Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper) and Surat editions of Gujaratmitra and Gujaratdarpan (widely circulated Gujarati regional daily newspapers, Gujarati being the regional language in Gujarat where our Registered and Corporate Office is located), at least two Working Days prior to the Bid/Offer Opening Date and was made available to the Stock Exchanges for the purposes of uploading on their respective websites. The Offer

Price was determined by our Company and the Promoter Selling Shareholder, in consultation with the BRLMs after the Bid/Offer Closing Date. For details, please see the section entitled "*Offer Procedure*" on page 349.

All investors, except Anchor Investors, were mandatorily required to use the ASBA process for participating in the Offer by providing details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs and Sponsor Banks, as the case may be. The Retail Individual Bidders participated through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount were blocked by SCSBs; or (b) through the UPI Mechanism. Anchor Investors were not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders were not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders (subject to the Bid Amount being up to ₹ 200,000) could revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid/Offer Closing Date. Further, Anchor Investors could not withdraw their Bids after the Anchor Investor Bid/Offer Period. Except Allocation to Retail Individual Bidders, Non-Institutional Investors and the Anchor Investors, Allocation in the Offer was be on a proportionate basis.

For further details on the method and procedure for Bidding and book building procedure, please see the sections entitled "*Terms of the Offer*", "*Offer Structure*" and "*Offer Procedure*" on pages 340, 345 and 349, respectively.

The Book Building Process under the SEBI ICDR Regulations and the Bidding process are subject to change from time to time. Investors are advised to make their own judgment about an investment through this process prior to submitting a Bid.

Bidders should note the Offer is also subject to: (i) obtaining final listing and trading approvals from the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) filing of this Prospectus with the RoC.

Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Offer. The Promoter Selling Shareholder has specifically confirmed that they will comply with the SEBI ICDR Regulations and any other directions issued by SEBI, as applicable to the Promoter Selling Shareholder, in relation to the Offered Shares. In this regard, our Company and the Promoter Selling Shareholder have appointed the BRLMs to manage this Offer and procure Bids for this Offer.

Underwriting Agreement

Our Company and the Promoter Selling Shareholder have entered into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be issued/offered through the Offer. The extent of underwriting obligations and the Bids to be underwritten in the Offer are as per the Underwriting Agreement. The Underwriting Agreement is dated May 27, 2022. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

Name, address, telephone number and e-mail address of the Underwriters	**Indicative Number of Equity Shares to be Underwritten**	**Amount Underwritten (in ₹ million)**
HDFC Bank Limited Investment Banking Group Unit No 401 & 402, 4th Floor, Tower B Peninsula Business Park, Lower Parel, Mumbai – 400 013 Maharashtra, India Telephone: +91 22 3395 8233 E-mail: aetherindustries.ipo@hdfcbank.com	6,293,078	4,040.16
Kotak Mahindra Capital Company Limited 1st Floor, 27BKC, Plot No. C-27, "G" Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 Maharashtra, India Telephone: +91 22 4336 0000 E-mail: aetherindustries.ipo@kotak.com	6,293,077	4,040.16
HDFC Securities Limited iThink Techno Campus Building – B "Alpha", Office 8, Opp. Crompton Greaves Near Kanjurmarg Station, Kanjurmarg (East) Mumbai - 400 042 Maharashtra, India Telephone: +91 22 3075 3400	100	0.06

Name, address, telephone number and e-mail address of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (in ₹ million)
Email: customercare@hdfcsec.com		
Kotak Securities Limited 4th floor, 12BKC, G Block, Bandra Kurla Complex, Bandra (East) Mumbai - 400 051 Maharashtra, India Telephone: +91 22 6218 5470 Email: umesh.gupta@kotak.com	100	0.06
Total	**12,586,355**	**8,080.44**

The abovementioned underwriting commitment are provided for indicative purposes only and will be finalised after Basis of Allotment and subject to the provisions of the SEBI ICDR Regulations.

In the opinion of the Board of Directors (based on representations made to our Company by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). The Board of Directors, at its meeting held on May 27, 2022, has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment set forth in the table above.

Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors respectively procured by them in accordance with the Underwriting Agreement. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers for or subscribe to the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement. The extent of underwriting obligations and the Bids to be underwritten in the Offer shall be as per the Underwriting Agreement.

CAPITAL STRUCTURE

The share capital of our Company as at the date of this Prospectus is set forth below:

(In ₹ except share data)

	Particulars	Aggregate nominal value at face value	Aggregate value at Offer Price*
A	**AUTHORIZED SHARE CAPITAL**		
	140,000,000 Equity Shares	1,400,000,000	-
B	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE OFFER**		
	114,716,318 Equity Shares	1,147,163,180	-
C	**PRESENT OFFER IN TERMS OF THE RED HERRING PROSPECTUS AND THIS PROSPECTUS**		
	Offer of 12,586,355* Equity Shares aggregating to ₹ 8,080.44* million	125,863,550	8,080,439,910
	Of which:		
	Fresh Issue of 9,766,355* Equity Shares aggregating to ₹ 6,270.00 million*(1)^	97,663,550	6,269,999,910
	Offer for Sale of 2,820,000* Equity Shares aggregating to ₹ 1,810.44 million*(2)	28,200,000	1,810,440,000
	Which includes:		
	Employee Reservation Portion of 111,370* Equity Shares aggregating to ₹ 71.50 million(3)	1,113,700	71,499,540
	Net Offer of 12,474,985* Equity Shares	124,749,850	8,008,940,370
D	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER**		
	124,483,673* Equity Shares (assuming full subscription in the Offer)	1,244,826,730	-
E	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer		2,295,475,192
	After the Offer(4)		8,467,811,552

**Subject to finalization of the Basis of Allotment*

^ Our Company, in consultation with the BRLMs, has undertaken a Pre-IPO Placement of 2,024,921 Equity Shares aggregating to ₹ 1,300.00 million. The size of the Fresh Issue of Equity Shares aggregating to ₹ 7,570.00 million has been reduced by ₹ 1,300.00 million pursuant to the Pre-IPO Placement and accordingly, the Fresh Issue comprises of 9,766,355 Equity Shares aggregating to ₹ 6,270.00 million.

(1) *The Offer has been authorized by a resolution of our Board dated April 28, 2022, and a special resolution of our Shareholders dated April 28, 2022.*

(2) *The Promoter Selling Shareholder has confirmed and authorized her participation in the Offer for Sale. For further information, please see the sections entitled "The Offer" and "Other Regulatory and Statutory Disclosures" on pages 58 and 329, respectively.*

(3) *Eligible Employees bidding in the Employee Reservation Portion were required to ensure that the maximum Bid Amount could not exceed ₹500,000. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion could not exceed ₹200,000.*

(4) *Excluding impact of offer expenses*

Notes to the Capital Structure

1. **Equity Share Capital History of our Company**

   The history of the Equity Share capital of our Company is provided in the following table:

Date of allotment	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price/ conversion price per Equity Share (₹)	Nature of consideration	Nature of transaction	Cumulative number of Equity Shares	Details of allottees
January 23, 2013	60,200	10	10	Cash	Subscription to MoA	60,200	10,000 Equity Shares were allotted to Rohan Ashwin Desai, 10,000 Equity Shares were allotted to Dr. Aman Ashvin Desai, 15,000 Equity Shares were allotted to Ashwin Jayantilal Desai, 15,000 Equity Shares were allotted to Purnima Ashwin Desai, 10,000 Equity Shares were allotted to Payal Rohan Desai, 100 Equity Shares were allotted to Swati Abhishek Chaudhary and 100 Equity Shares were allotted to Manju Sushil Kumar Chaudhary.
June 16, 2013	1,350,000	10	10	Cash	Preferential Allotment	1,410,200	1,350,000 Equity Shares were allotted to Purnima Ashwin Desai.
July 13, 2013	7,150,000	10	10	Cash	Preferential Allotment	8,560,200	7,150,000 Equity Shares were allotted to Purnima Ashwin Desai.
February 6, 2021	1,538,367	10	162.51	Not applicable	Conversion of 25,000,000 Preference Shares	10,098,567	11,600,000 Preference Shares held by Aman Desai (HUF) were converted to 713,802 Equity Shares, 1,800,000 Preference Shares held by Ashwin Jayantilal Desai were converted to 110,763 Equity Shares and 11,600,000 Preference Shares held by Rohan Ashwin Desai were converted to 713,802 Equity Shares.
November 17, 2021	100,985,670	10	-	Not applicable	Bonus Issue	111,084,237	31,706,730 Equity Shares were allotted to Purnima Ashwin Desai, 6,109,470 Equity Shares were allotted to Ashwin Jayantilal Desai, 2,019,710 Equity Shares were allotted to Rohan Ashwin Desai, 100,000 Equity Shares were allotted to Aman Ashvin Desai, 12,327,460 Equity Shares were allotted to AJD Family Trust, 12,327,460 Equity Shares were allotted to PAD Family Trust , 18,197,420 Equity Shares were allotted to RAD Family Trust and 18,197,420 Equity Shares were allotted to AAD Business Trust.

Date of allotment	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price/ conversion price per Equity Share (₹)	Nature of consideration	Nature of transaction	Cumulative number of Equity Shares	Details of allottees
November 27, 2021	1,607,160	10	642	Cash	Private Placement	112,691,397	15,580 Equity Shares allotted to Namrata R Doshi, 15,580 Equity Shares allotted to Piyush Rameshchandra Doshi, 43,810 Equity Shares allotted to Ruchira Surendra Manjrekar, 43,810 Equity Shares allotted to Surendra Keshav Manjrekar, 29,210 Equity Shares to Sourabh Manjrekar, 31,160 Equity Shares to Ravindra Shridhar Khot, 11,690 Equity Shares allotted to Kamalvijay Ramchandra Tulsian, 23,370 Equity Shares were allotted to Pooja Prayank Agarwal, 11,690 Equity Shares were allotted to Amit Bharatkumar Tulsian, 11,690 Equity Shares were allotted to Ankur Shyamsundar Tulsian, 11,690 Equity Shares were allotted to Sanat Sushilkumar Tulsian, 46,730 Equity Shares were allotted to Commerce Centre Pharmachem LLP, 4,675 Equity Shares were allotted to Dilip Digambar Ravetkar, 11,690 Equity Shares were allotted to KP and Sons HUF,15,580 Equity Shares were allotted to Vinodbhai Bhavanbhai Parmar, 318,820 Equity Shares were allotted to India Acorn Fund Ltd., Mauritius, 318,820 Equity Shares were allotted to Ashoka India Equity Investment Trust Plc, London, 19,480 Equity Shares were allotted to Ankit Dalmia and 622,085 were allotted to IIFL Special Opportunities Fund - Series 9.
May 5, 2022	2,024,921	10	642	Cash	Private Placement	114,716,318	197,819 Equity Shares were allotted to India Acorn Fund Ltd., Mauritius, 113,707 Equity Shares were allotted to Ashoka India Equity Investment Trust Plc, London, 233,644 Equity Shares were allotted to IIFL Special Opportunities Fund - Series 9, 77,882 Equity

Date of allotment	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price/ conversion price per Equity Share (₹)	Nature of consideration	Nature of transaction	Cumulative number of Equity Shares	Details of allottees
							Shares were allotted to IIFL Special Opportunities Fund - Series 10, 498,442 Equity Shares were allotted to SBI Magnum Global Fund, 498,442 Equity Shares were allotted to SBI Contra Fund, 249,222 Equity Shares were allotted to SBI Healthcare Opportunities Fund and 155,763 Equity Shares were allotted to The Regents of the University of California – IIFL Asset Management Limited.

2. **Issue of shares for consideration other than cash**

Our Company has not issued any Equity Shares out of its revaluation reserves or for consideration other than cash, except as stated below:

Date of allotment	No. of Equity Shares allotted	Face value per Equity Share(₹)	Issue price/ conversion price per Equity Share (₹)	Nature of consideration	Nature of transaction
February 6, 2021	1,538,367	10	162.51	Not applicable	Conversion of 25,000,000 Preference Shares
November 17, 2021	100,985,670	10	-	Not applicable	Bonus Issue

3. Our Company has not issued any other Equity Shares in terms of any scheme of arrangement approved under Sections 230-234 of the Companies Act, 2013.

4. The Offer Price shall be determined by our Company and the Promoter Selling Shareholder, in consultation with the BRLMs after the Bid / Offer Closing Date. Except for the bonus issue on November 17, 2021, the private placement on November 27, 2021 and the private placement on May 5, 2022, our Company has not issued any Equity Shares at a price which may be lower than the Offer Price during a period of one year preceding the date of the Red Herring Prospectus and this Prospectus.

5. **Preference Share Capital History of our Company**

The history of the Preference Share capital of our Company is provided in the following table:

Date of allotment	No. of Preference Shares allotted / (converted)	Face Value per Preference Share (₹)	Issue price per Preference Share (₹)	Nature of consideration	Nature of transaction	Cumulative number of Preference Shares	Details of allottees
January 25, 2016	25,000,000	10	10	Cash	Private placement	25,000,000	11,600,000 Preference Shares were allotted to Aman Desai (HUF), 1,800,000 Preference Shares were allotted to Ashwin Jayantilal Desai and 11,600,000 Preference Shares were allotted to Rohan Ashwin Desai.

Date of allotment	No. of Preference Shares allotted / (converted)	Face Value per Preference Share (₹)	Issue price per Preference Share (₹)	Nature of consideration	Nature of transaction	Cumulative number of Preference Shares	Details of allottees
February 6, 2021	(25,000,000)	10	-	Not applicable	Conversion to 1,538,367 Equity Shares at a conversion price of ₹ 162.51 per Equity Share	-	11,600,000 Preference Shares held by Aman Desai (HUF) were converted to 713,802 Equity Shares, 1,800,000 Preference Shares held by Ashwin Jayantilal Desai were converted to 110,763 Equity Shares and 11,600,000 Preference Shares held by Rohan Ashwin Desai were converted to 713,802 Equity Shares.

6. **History of the Equity Share Capital held by our Promoters**

As on the date of this Prospectus, our Promoters collectively hold 111,084,237 Equity Shares, equivalent to 96.83 % of the issued, subscribed and paid-up Equity Share capital of our Company.

(a) *Build-up of our Promoters' shareholding in our Company*

Set forth below is the build-up of the shareholding of our Promoters since incorporation of our Company:

Date of allotment/ transfer	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue Price/ Transfer Price per Equity Share (₹)	Percentage of the pre-Offer equity share capital (%)	Percentage of the post-Offer equity share capital (%)**
Ashwin Jayantilal Desai							
January 23, 2013	Subscription to the MoA	15,000	Cash	10	10	0.01%	0.01%
February 6, 2021	Conversion of Preference Shares at a conversion price of ₹ 162.51 per Equity Share	110,763	Not applicable	10	162.51	0.10%	0.09%
March 22, 2021	Gift from Purnima Ashwin Desai	783,008	Not applicable	10	-	0.68%	0.63%
October 21, 2021	Gift from Payal Rohan Desai	10,000	Not applicable	10	-	0.01%	0.01%
November 10, 2021	Gift from Rohan Ashwin Desai	1,807,642	Not applicable	10	-	1.58%	1.45%
November 15, 2021	Gift from Rohan Desai	100	Not applicable	10	-	Negligible	Negligible
November 15, 2021	Gift from Ishita Manjrekar	1,364,258	Not applicable	10	-	1.19%	1.10%
November 16, 2021	Gift from Ashwin Desai HUF	100	Not applicable	10	-	Negligible	Negligible
November 16, 2021	Gift to AJD Family Trust	(576,483)	Not applicable	10	-	-0.50%	-0.46%
November 16, 2021	Gift to PAD Family Trust	(576,483)	Not applicable	10	-	-0.50%	-0.46%
November 16,	Gift to RAD Family	(1,163,479)	Not applicable	10	-	-1.01%	-0.93%

Date of allotment/ transfer	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue Price/ Transfer Price per Equity Share (₹)	Percentage of the pre-Offer equity share capital (%)	Percentage of the post-Offer equity share capital (%)**
2021	Trust						
November 16, 2021	Gift to AAD Business Trust	(1,163,479)	Not applicable	10	-	-1.01%	-0.93%
November 17, 2021	Bonus issue	6,109,470	Not applicable	10	-	5.33%	4.91%
Sub-Total (A)		**6,720,417**				**5.86%**	**5.40%**
Purnima Ashwin Desai							
January 23, 2013	Subscription to the MoA	15,000	Cash	10	10	0.01%	0.01%
June 16, 2013	Preferential Allotment	1,350,000	Cash	10	10	1.18%	1.08%
July 13, 2013	Preferential Allotment	7,150,000	Cash	10	10	6.23%	5.74%
March 22, 2021	Gift to Ashwin Jayantilal Desai	(783,008)	Not applicable	10	-	-0.68%	-0.63%
March 22, 2021	Gift to Rohan Ashwin Desai	(1,290,811)	Not applicable	10	-	-1.13%	-1.04%
March 22, 2021	Gift to Dr. Aman Ashvin Desai	(1,290,912)	Not applicable	10	-	-1.13%	-1.04%
October 22, 2021	Gift from Dr. Aman Ashvin Desai	645,456	Not applicable	10	-	0.56%	0.52%
November 15, 2021	Gift to AJD Family Trust	(656,263)	Not applicable	10	-	-0.57%	-0.53%
November 15, 2021	Gift to PAD Family Trust	(656,263)	Not applicable	10	-	-0.57%	-0.53%
November 15, 2021	Gift to RAD Family Trust	(656,263)	Not applicable	10	-	-0.57%	-0.53%
November 15, 2021	Gift to AAD Business Trust	(656,263)	Not applicable	10	-	-0.57%	-0.53%
November 17, 2021	Bonus issue	31,706,730	Not applicable	10	-	27.64%	25.47%
Sub-Total (B)		**34,877,403**				**30.40%**	**25.75%***
Rohan Ashwin Desai							
January 23, 2013	Subscription to the MoA	10,000	Cash	10	10	0.01%	0.01%
February 1, 2016	Gift to Ishita Surendra Manjrekar	(5,000)	Not applicable	10	-	Negligible	Negligible
February 6, 2021	Conversion of Preference Shares at a conversion price of ₹ 162.51 per Equity Share	713,802	Not applicable	10	162.51	0.62%	0.57%
March 22, 2021	Gift from Purnima Ashwin Desai	1,290,811	Not applicable	10	-	1.13%	1.04%
November 10, 2021	Gift to Ashwin Jayantilal Desai	(1,807,642)	Not applicable	10	-	-1.58%	-1.45%
November 15, 2021	Gift from Rohan Desai HUF	100	Not applicable	10	-	Negligible	Negligible
November 15, 2021	Gift to Ashwin Jayantilal Desai	(100)	Not applicable	10	-	Negligible	Negligible
November 17, 2021	Bonus issue	2,019,710	Not applicable	10	-	1.76%	1.62%
Sub-Total (C)		**2,221,681**				**1.94%**	**1.78%**
Dr. Aman Ashvin Desai							
January 23, 2013	Subscription to the MoA	10,000	Cash	10	10	0.01%	0.01%
March 22,	Gift from Purnima	1,290,912	Not applicable	10	-	1.13%	1.04%

Date of allotment/ transfer	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue Price/ Transfer Price per Equity Share (₹)	Percentage of the pre-Offer equity share capital (%)	Percentage of the post-Offer equity share capital (%)**
2021	Ashwin Desai						
October 22, 2021	Gift to Purnima Ashwin Desai	(645,456)	Not applicable	10	-	-0.56%	-0.52%
October 28, 2021	Gift to Ishita Manjrekar	(645,456)	Not applicable	10	-	-0.56%	-0.52%
November 17, 2021	Bonus issue	100,000	Not applicable	10	-	0.09%	0.08%
Sub-Total (D)		**110,000**				**0.10%**	**0.09%**
AJD Family Trust							
November 15, 2021	Gift from Purnima Ashwin Desai	656,263	Not applicable	10	-	0.57%	0.53%
November 16, 2021	Gift from Ashwin Jayantilal Desai	576,483	Not applicable	10	-	0.50%	0.46%
November 17, 2021	Bonus issue	12,327,460	Not applicable	10	-	10.75%	9.90%
Sub-Tot€(E)		**13,560,206**				**11.82%**	**10.89%**
PAD Family Trust							
November 15, 2021	Gift from Purnima Ashwin Desai	656,263	Not applicable	10	-	0.57%	0.53%
November 16, 2021	Gift from Ashwin Jayantilal Desai	576,483	Not applicable	10	-	0.50%	0.46%
November 17, 2021	Bonus issue	12,327,460	Not applicable	10	-	10.75%	9.90%
Sub-Total (F)		**13,560,206**				**11.82%**	**10.89%**
RAD Family Trust							
November 15, 2021	Gift from Purnima Ashwin Desai	656,263	Not applicable	10	-	0.57%	0.53%
November 16, 2021	Gift from Ashwin Jayantilal Desai	1,163,479	Not applicable	10	-	1.01%	0.93%
November 17, 2021	Bonus issue	18,197,420	Not applicable	10	-	15.86%	14.62%
Sub-Total (G)		**20,017,162**				**17.44%**	**16.08%**
AAD Business Trust							
November 15, 2021	Gift from Purnima Ashwin Desai	656,263	Not applicable	10	-	0.57%	0.53%
November 16, 2021	Gift from Ashwin Jayantilal Desai	1,163,479	Not applicable	10	-	1.01%	0.93%
November 17, 2021	Bonus issue	18,197,420	Not applicable	10	-	15.86%	14.62%
Sub-Total (H)		**20,017,162**				**17.44%**	**16.08%**
Total (A + B + C + D + E + F + G + H)		**111,084,237**				**96.83%**	**86.96%**

**Post considering impact of Offer for Sale*
***Subject to finalization of basis of allotment*

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of allotment or acquisition of such Equity Shares. Our Promoters have not pledged any of the Equity Shares that they hold in our Company.

(b) *Details of Promoters' contribution and lock-in*:

(i) Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoters shall be locked in for a period of eighteen months as minimum promoters' contribution from the date of Allotment ("**Promoters' Contribution**"), and the Promoters' shareholding in excess of 20% of the fully diluted post-Offer Equity Share capital shall be locked in for a period of six months from the date of Allotment.

(ii) Details of the Equity Shares to be locked-in for eighteen months from the date of Allotment as Promoters'

Contribution are as follows:

Name	Date of transaction and when made fully paid-up	Nature of transaction	Face value per Equity Share (₹)	Issue/ acquisition price per Equity Share (₹)	No. of Equity Shares locked-in	Percentage of post-Offer paid-up capital (%)*	Date up to which the Equity shares are subject to lock-in
Purnima Ashwin Desai	November 17, 2021	Bonus Issue	10	-	24,896,600	20.00%	December 1, 2023
Total					24,896,600		

**Subject to finalisation of basis of allotment*

(iii) Our Promoters have given consent to include such number of Equity Shares held by them as may constitute 20% of the fully diluted post-Offer Equity Share capital of our Company as Promoters' Contribution. Our Promoters have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner, the Promoters' Contribution from the date of filing the Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

(iv) Our Company undertakes that the Equity Shares that are being locked-in are not and will not be ineligible for computation of Promoters' Contribution in terms of Regulation 15 of the SEBI ICDR Regulations. In this connection, we confirm the following:

- The Equity Shares offered for Promoters' Contribution do not include equity shares acquired in the three immediately preceding years (a) for consideration other than cash involving revaluation of assets or capitalisation of intangible assets; or (b) resulting from a bonus issue of Equity Shares out of revaluation reserves or unrealised profits of our Company or from a bonus issuance of equity shares against Equity Shares, which are otherwise ineligible for computation of Promoters' Contribution;

- The Promoters' Contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

- Our Company has not been formed by the conversion of a partnership firm or a limited liability partnership firm into a company and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Prospectus pursuant to conversion from a partnership firm; and

- The Equity Shares forming part of the Promoters' Contribution are not subject to any pledge.

(c) *Other lock-in requirements:*

(i) In addition to the 20% of the fully diluted post-Offer shareholding of our Company held by our Promoters and locked in for eighteen months as specified above and the Equity Shares offered by the Promoter Selling Shareholder as part of the Offer for Sale, the entire pre-Offer Equity Share capital of our Company, will be locked-in for a period of six months from the date of Allotment, including any unsubscribed portion of the Offer for Sale, in accordance with Regulations 16(b) and 17 of the SEBI ICDR Regulations provided that 544,687 Equity Shares held by IIFL Special Opportunities Fund – Series 9 and 3,88,924 Equity Shares held by IIFL Special Opportunities Fund – Series 10 shall be locked in for a period of six months from the respective date of purchase by IIFL Special Opportunities Fund – Series 9 and IIFL Special Opportunities Funds – Series – 10.

(ii) Pursuant to Regulation 21 of the SEBI ICDR Regulations, the Equity Shares held by our Promoters which are locked-in for a period of six months from the date of Allotment may be pledged only with scheduled commercial banks or public financial institutions or a Systemically Important NBFC or a deposit accepting housing finance company as collateral security for loans granted by such entities, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans. Equity Shares locked-in as Promoters' Contribution for eighteen months can be pledged only if in addition to fulfilling the aforementioned requirements, such loans have been granted by such banks or financial institutions for the purpose of financing one or more of the objects of the Offer, which is not applicable in the context of this Offer. However, such lock-in will continue pursuant to any invocation of the pledge and the transferee of the Equity Shares pursuant to such invocation shall not be eligible to transfer the Equity Shares until the expiry of the lock-in period stipulated above in terms of the SEBI ICDR Regulations.

(iii) In terms of Regulation 22 of the SEBI ICDR Regulations, the Equity Shares held by our Promoters and locked-in pursuant to Regulation 16 of the SEBI ICDR Regulations for a period of eighteen months, may be transferred amongst our Promoters and any member of the Promoter Group or a new promoter, subject to continuation of lock-in applicable to the transferee for the remaining period and compliance with provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "**Takeover Regulations**").

(iv) In terms of Regulation 22 of the SEBI ICDR Regulations, the Equity Shares held by persons other than our Promoters and locked-in pursuant to Regulation 17 of the SEBI ICDR Regulations for a period of six months from the date of Allotment, may be transferred to any other person holding Equity Shares which are locked in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock in applicable to the transferee and compliance with the provisions of the Takeover Regulations.

(v) As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

(d) *Lock in of Equity Shares to be Allotted, if any, to Anchor Investors*

50% Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked-in for a period of 90 days from the date of Allotment and the remaining 50% Equity Shares shall be locked-in for a period of 30 days from the date of Allotment.

7. **Shareholding Pattern of our Company**

The table below presents the shareholding pattern of our Company as on the date of this Prospectus:

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid up Equity Shares held (IV)	No. of Partly paid-up Equity Shares held (V)	No. of Equity Shares underlying Depository Receipts (VI)	Total no. of Equity Shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Equity Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted Equity Share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								No of Voting Rights										
								Class: Equity	Class: Others	Total	Total as a % of (A+B+ C)			No. (a)	As a % of total Equity Shares held (b)	No. (a)	As a % of total Equity Shares held (b)	
(A)	Promoter & Promoter Group	13	111,236,127	-	-	111,236,127	96.97	111,236,127	-	111,236,127	96.97	-	96.97	-		-		111,236,127
(B)	Public	19	3,480,191	-	-	3,480,191	3.03	3,480,191	-	3,480,191	3.03	-	3.03	-		-		3,480,191
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
	Total	**32**	**114,716,318**	**-**	**-**	**114,716,318**	**100.00**	**114,716,318**	**-**	**114,716,318**	**100.00**	**-**	**100.00**	**-**		**-**		**114,716,318**

8. As of the date of the filing of this Prospectus, the total number of our Shareholders is 32.

9. **Details of shareholding of the major shareholders of our Company**

(a) Set forth below is a list of shareholders holding 1% or more of the paid-up share capital of our Company, as on the date of this Prospectus

S. No.	Name of the shareholder	Pre-Offer	
		Number of Equity Shares	**Percentage of the Equity Share capital (%)**
1.	Purnima Ashwin Desai	348,77,403	30.40
2.	RAD Family Trust	20,017,162	17.45
3.	AAD Business Trust	20,017,162	17.45
4.	AJD Family Trust	13,560,206	11.82
5.	PAD Family Trust	13,560,206	11.82
6.	Ashwin Jayantilal Desai	6,720,417	5.86
7.	Rohan Ashwin Desai	2,221,681	1.94
	Total	**110,974,237**	**96.74**

(b) Set forth below is a list of shareholders holding 1% or more of the paid-up share capital of our Company, as of 10 days prior to the date of this Prospectus:

S. No.	Name of the shareholder	Pre-Offer	
		Number of Equity Shares	**Percentage of the Equity Share capital (%)**
1.	Purnima Ashwin Desai	3,48,77,403	30.40
2.	RAD Family Trust	20,017,162	17.45
3.	AAD Business Trust	20,017,162	17.45
4.	AJD Family Trust	13,560,206	11.82
5.	PAD Family Trust	13,560,206	11.82
6.	Ashwin Jayantilal Desai	6,720,417	5.86
7.	Rohan Ashwin Desai	2,221,681	1.94
	Total	**110,974,237**	**96.74**

(c) Set forth below is a list of shareholders holding 1% or more of the paid-up share capital of our Company, as of one year prior to the date of this Prospectus:

S. No.	Name of the shareholder	Pre-Offer	
		Number of Equity Shares	**Percentage of the Equity Share capital (%)**
1.	Purnima Ashwin Desai	5,150,269	51.00
2.	Rohan Ashwin Desai	2,009,613	19.90
3.	Aman Ashwinbhai Desai	1,300,912	12.88
4.	Ashwin Jayantilal Desai	908,771	9.00
5.	Aman Desai (HUF)	713,802	7.07
	Total	**10,083,367**	**99.85**

(d) Set forth below is a list of shareholders holding 1% or more of the paid-up share capital of our Company, as of two years prior to the date of this Prospectus:

S. No.	Name of the shareholder	Pre-Offer	
		Number of Equity Shares on a fully diluted basis	**Percentage of the Equity Share capital (%) on a fully diluted basis**
1.	Purnima Ashwin Desai	8,515,000	99.47
	Total	**8,515,000**	**99.47**

10. **Details of Equity Shares held by our Directors, Key Management Personnel and members of our Promoter Group**

(i) Set out below are details of the Equity Shares held by our Directors in our Company:

S. No.	Name	No. of Equity Shares held as on the date of Prospectus	Pre-Offer (%)	No. of Equity Shares post Offer	Post-Offer (%)**	Number of employee stock options outstanding
1.	Purnima Ashwin Desai	3,48,77,403	30.40	32,057,403	25.75*	Nil
2.	Ashwin Jayantilal Desai	6,720,417	5.86	6,720,417	5.40	Nil
3.	Rohan Ashwin Desai	2,221,681	1.94	2,221,681	1.78	Nil
4.	Dr. Aman Ashvin Desai	1,10,000	0.10	110,000	0.09	Nil
5.	Kamalvijay Ramchandra Tulsian	11,690	0.01	11,690	0.01	Nil

**Post considering impact of Offer for Sale*
***Subject to finalisation of basis of allotment*

(ii) Except for the Equity Shares held by our Directors, as stated above, there are no Equity Shares held by the Key Management Personnel in our Company. No employee stock options have been granted to any of our Directors. For details of employee stock options granted to our Key Managerial Personnel, see "- *Employee Stock Option Schemes*" on page 87

(iii) Set out below are the details of the Equity Shares held by our Promoters and Promoter Group of our Company:

Name of Shareholder	Pre-Offer Equity Share Capital		Post-Offer Equity Share Capital**	
	No. of Equity Shares	% of total shareholding	No. of Equity Shares	% of total shareholding
Promoters				
Purnima Ashwin Desai	34,877,403	30.40	32,057,403	25.75*
RAD Family Trust	20,017,162	17.45	20,017,162	16.08
AAD Business Trust	20,017,162	17.45	20,017,162	16.08
AJD Family Trust	13,560,206	11.82	13,560,206	10.89
PAD Family Trust	13,560,206	11.82	13,560,206	10.89
Ashwin Jayantilal Desai	6,720,417	5.86	6,720,417	5.40
Rohan Ashwin Desai	2,221,681	1.94	2,221,681	1.78
Dr. Aman Ashvin Desai	110,000	0.10	110,000	0.09
AAD Family Trust	-	-	-	-
Total holding of Promoters (A)	**111,084,237**	**96.83**	**108,264,237**	**86.96**
Promoter Group				
Ruchira Surendra Manjrekar	43,810	0.04	43,810	0.04
Surendra Keshav Manjrekar	43,810	0.04	43,810	0.04
Sourabh Manjrekar	29,210	0.03	29,210	0.02
Pooja Prayank Agarwal	23,370	0.02	23,370	0.02
Kamalvijay Ramchandra Tulsian	11,690	0.01	11,690	0.01
Total holding of the Promoter Group (other than Promoters) (B)	**151,890**	**0.14**	**151,890**	**0.13**
Total holding of Promoters and Promoter Group (A + B)	**111,236,127**	**96.97**	**108,416,127**	**87.09**

**Post considering impact of Offer for Sale*
*** Subject to finalisation of basis of allotment*

All Equity Shares held by our Promoters and Promoter Group are in dematerialised form as on the date of this Prospectus.

11. None of the BRLMs or their respective associates (as per the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) hold any Equity Shares in our Company as on the date of this Prospectus.

12. There are no partly paid up Equity Shares as on the date of this Prospectus and all Equity Shares were fully paid up as on the date of allotment. The Equity Shares to be issued or transferred pursuant to the Offer shall be fully paid up at the time of Allotment.

13. No person connected with the Offer, including, but not limited to, our Company, the Promoter Selling Shareholder, the Members of the Syndicate, our Directors, Promoters or the members of our Promoter Group, shall offer in any manner whatsoever any incentive, whether direct or indirect, in cash, in kind or in services or otherwise to any Bidder for making a Bid. Further, no payment, direct or indirect benefit in the nature of discount, commission and allowance or otherwise, except for fees or commission for services rendered in relation to the Offer, shall be offered or paid either by our Company or our Promoters to any person in connection with making an application for or receiving any Equity Shares pursuant to this Offer.

14. **Employee Stock Option Scheme**

ESOS Scheme 2021

Pursuant to the resolutions of our Board of Directors dated November 18, 2021 and our Shareholders resolution dated November 18, 2021, our 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.

The following table sets forth the particulars of the ESOS Scheme 2021, including options granted as on the date of this Prospectus, as certified by our Statutory Auditors, Birju S. Shah & Associates, Chartered Accountants, through a certificate dated May 27, 2022.

Particulars	Details				
	Financial Year 2019	Financial Year 2020	Financial Year 2021	For the nine months period ended December 31, 2021	From January 1, 2022 until the date of filing of the Prospectus
Total options outstanding as at the beginning of the period	NA	NA	NA	Nil	1,81,122
Total options granted	NA	NA	NA	1,81,122*	Nil
Exercise price of options in ₹ (as on the date of grant options)	NA	NA	NA	321	NA
Options forfeited/lapsed/cancelled	NA	NA	NA	Nil	6,291
Variation of terms of options	NA	NA	NA	Nil	Nil
Money realized by exercise of options	NA	NA	NA	Nil	Nil
Total number of options outstanding in force	NA	NA	NA	1,81,122*	1,74,831
Total options vested (excluding the options that have been exercised)	NA	NA	NA	Nil	Nil
Options exercised (since implementation of the ESOP Scheme)	NA	NA	NA	Nil	Nil
The total number of Equity Shares arising as a result of exercise of granted options (including options that have been exercised)	NA	NA	NA	Nil	Nil
Employee wise details of options granted to:					

Particulars	Details				
	Financial Year 2019	**Financial Year 2020**	**Financial Year 2021**	**For the nine months period ended December 31, 2021**	**From January 1, 2022 until the date of filing of the Prospectus**
(a) Key managerial personnel Faiz Arif Nagariya (Chief Financial Officer) Chitrarth Rajan Parghi (Company Secretary)	NA	NA	NA	7,787 975	Nil Nil
(b) Any other employee who receives a grant in any one year of options amounting to 5% or more of the options granted during the year	NA	NA	NA	Nil	Nil
(c) Identified employees who were granted options 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	NA	NA	NA	Nil	Nil
Diluted earnings per share pursuant to the issue of Equity Shares on exercise of options in accordance with IND AS 33 'Earnings Per Share'	NA	NA	NA	Nil	Nil
Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference, if any, between employee compensation cost so computed and the employee compensation calculated on the basis of fair value of the stock options and the impact of this difference, on the profits of the Company and on the earnings per share of the Company	NA	NA	NA	NA	NA
Description of the pricing formula and method and significant assumptions used to estimate the fair value of options granted during the year including, weighted average information, namely, risk-free interest rate,	NA	NA	NA	Black- Scholes-Merton Options Pricing Model The key assumptions of	NA

Particulars	Details				
	Financial Year 2019	**Financial Year 2020**	**Financial Year 2021**	**For the nine months period ended December 31, 2021**	**From January 1, 2022 until the date of filing of the Prospectus**
expected life, expected volatility, expected dividends, and the price of the underlying share in the market at the time of grant of option				Black-Scholes-Merton model are: 1. The price of underlying instrument follows geometric Brownian motion with constant drift and volatility, and price changes are log normally distributed. 2. It is possible to short sell the underlying stock. 3. There are no arbitrage opportunities. 4. Trading in stock is continuous. 5. There are no transaction costs or taxes. 6. It is possible to buy and sell any amount, even fractional, of the stock (securities are perfectly divisible). 7. It is possible to borrow and lend cash at a constant risk-free interest rate.	
Method of Valuation				Fair value	NA
Weighted Average Exercise Price				*Rs. 321 per Share*	NA
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*	NA
Dividend Yield (%)				*Considered 0%*	NA
Expected Life (Years)				*8*	NA
Risk Free Interest Rate (%)				*5.72%, 5.96%, 6.19%, 6.29%,*	NA

Particulars	Details				
	Financial Year 2019	**Financial Year 2020**	**Financial Year 2021**	**For the nine months period ended December 31, 2021**	**From January 1, 2022 until the date of filing of the Prospectus**
				6.36%, 6.37% and 6.48% each in on every exercise date in year 2022, 2023, 2024, 2025, 2026, 2027 and 2028	
Impact on the profits and on the Earnings Per Share of the last three years if the accounting policies specified in the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 had been followed, in respect of options granted in the last three Years	NA	NA	NA	NA	NA
Intention of key managerial personnel and whole-time directors who are holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Offer	NA	NA	NA	Not applicable since no Equity Shares have been allotted under the scheme as on date	NA
Intention to sell Equity Shares arising out of the ESOP Scheme or allotted under an ESOP Scheme within three months after the listing of Equity Shares by directors, senior managerial personnel and employees having Equity Shares arising out of the ESOP Scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	NA	NA	NA	Not applicable since no Equity Shares have been allotted under the scheme as on date	NA

**Resolutions passed has given authority to issue 11,00,000 options*

15. None of the members of our Promoter Group, our Promoters, our Directors or their relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of filing of the Draft Red Herring Prospectus, the Red Herring Prospectus and this Prospectus, except as stated in "- *History of the Equity Share Capital held by our Promoters*" on page 79.

16. Our Company, the Promoter Selling Shareholder, our Promoters, our Directors and the BRLMs have not entered into any buy-back arrangements or any similar arrangements for purchase of the Equity Shares to be issued as a part of the Offer, except for the Pre-IPO Placement. For further details, see "*History and Certain Corporate Matters - Shareholders' Agreements*" on page 192.

17. Our Promoters, our Promoter Group and Group Companies will not participate in the Offer, except by way of participation of the Promoter Selling Shareholder, in the Offer for Sale.

18. Our Company has ensured that transactions in the Equity Shares by our Promoters and the Promoter Group between the date of filing of the Red Herring Prospectus and the date of closure of the Offer have been intimated to the Stock Exchanges within 24 hours of such transaction.

19. There have been no financing arrangements whereby, our Promoter Group, our Directors, and their relatives have financed the purchase by any other person of securities of our Company, other than in the normal course of business during a period of six months preceding the date of filing of the Draft Red Herring Prospectus, the Red Herring Prospectus and this Prospectus.

20. The Promoters and members of our Promoter Group will not receive any proceeds from the Offer, except to the extent of their participation as Promoter Selling Shareholder in the Offer for Sale.

21. The BRLMs and persons related to the BRLMs or Syndicate Members cannot apply in the Offer under the Anchor Investor Portion, except for Mutual Funds sponsored by entities which are associates of the BRLMs, or insurance companies promoted by entities which are associates of the BRLMs or a FPI (other than individuals, corporate bodies and family offices) sponsored by entities which are associates of the BRLMs.

22. Our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/Offer Opening Date. There will be no further issue of Equity Shares by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or by way of issue of bonus shares or on a rights basis or by way of further public issue of Equity Shares or qualified institutions placements or otherwise, until the Equity Shares have been listed on the Stock Exchanges or all application moneys have been refunded to the Anchor Investors, or the application moneys are unblocked in the ASBA Accounts on account of non-listing, under-subscription etc., as the case may be. Provided, however, that the foregoing restrictions do not apply to: (a) the issuance of any Equity Shares under the Offer; and (b) any issuance, offer, sale or any other transfer or transaction of a kind referred to above of any Equity Shares under or in connection with the exercise of any employee stock options, as disclosed in this Prospectus, provided they have been approved by our Board.

23. Eligible Employees bidding in the Employee Reservation Portion must ensure that the Bid Amount does not exceed ₹ 500,000. Unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible Employee shall not exceed ₹ 200,000. In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion may be allocated, on a proportionate basis, to Eligible Employees for value exceeding ₹ 200,000 up to ₹ 500,000. Any unsubscribed portion remaining in the Employee Reservation Portion shall be added to the Net Offer to the public. For further details, please see the section entitled "*Offer Structure*" on page 345.

24. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

25. As on the date of this Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other convertible instruments into Equity Shares, or any other right which would entitle any person any option to receive Equity Shares other than outstanding stock options under the ESOS Scheme 2021.

26. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

SECTION V: PARTICULARS OF THE OFFER

OBJECTS OF THE OFFER

The Offer comprises the Offer for Sale and the Fresh Issue. The Fresh Issue comprises of 9,766,355* Equity Shares, aggregating to ₹6,270.00 million by our Company and the Offer for Sale comprises of 2,820,000* Equity Shares, aggregating to ₹ 1,810.44 million* by the Promoter Selling Shareholder.

**Subject to finalization of the Basis of Allotment*

Offer for Sale

The proceeds of the Offer for Sale shall be received by the Promoter Selling Shareholder. Our Company will not receive any proceeds from the Offer for Sale. The Promoter Selling Shareholder will be entitled to the proceeds from the Offer for Sale, net of her respective portion of the Offer related expenses. For further details, please see "*-Offer Expenses*" on page 102.

Fresh Issue

Our Company proposes to utilise the Net Proceeds from the Fresh Issue towards funding the following objects:

1. Prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company;
2. Funding capital expenditure requirements for our manufacturing facility ("**Proposed Greenfield Project**");
3. Funding working capital requirements of our Company; and
4. General corporate purposes.

(collectively, referred to herein as the "**Objects**").

In addition, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges and enhancement of our Company's visibility and brand image and creation of a public market for our Equity Shares in India.

The main objects clause and objects incidental and ancillary to the main objects as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities proposed to be funded from the Net Proceeds.

Net Proceeds

The details of the proceeds of the Fresh Issue are summarised in the table below:

(₹ in million)

Particulars	Amount
Gross proceeds from the Fresh Issue [(1)]	6,270.00
(Less) Fresh Issue related expenses	335.44
Net Proceeds[(1)]	**5,934.56**

[(1)] *Our Company, in consultation with the BRLMs, has undertaken a Pre-IPO Placement of 2,024,921 Equity Shares aggregating to ₹ 1,300.00 million. The size of the Fresh Issue of Equity Shares aggregating to ₹ 7,570.00 million has been reduced by ₹ 1,300.00 million pursuant to the Pre-IPO Placement and accordingly, the Fresh Issue comprises of 9,766,355 Equity Shares aggregating to ₹ 6,270.00 million. Upon allotment of Equity Shares issued pursuant to the Pre-IPO Placement and after compliance with requirements prescribed under the Companies Act, our Company shall utilise the proceeds from such Pre-IPO Placement towards one or more of the Objects.*

Utilization of Net Proceeds and Schedule of Deployment

The Net Proceeds are proposed to be utilised and are currently expected to be deployed in accordance with the schedule set forth below:

(₹ in million)

Particulars	Total Estimated Cost	Amount already deployed as on April 30, 2022	Amount which will be financed from Net Proceeds[3]	Estimated Utilisation of Net Proceeds
				Fiscal 2023
Funding capital expenditure requirements for the Proposed Greenfield Project	1,900.00[1]	250.71 [2]	1,630.00	1,630.00
Prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company	-	-	1,379.00	1,379.00
Funding working capital requirements of our Company	-	-	1,650.00	1,650.00
General corporate purposes [3]	-	-	1,275.56	1,275.56
Total[3]	**1,900.00**	**250.71**	**5,934.56**	**5,934.56**

[1] *Subject to finalization of basis of allotment*

[2] *Total estimated cost, as per certificate dated May 16, 2022 issued by Dr. Pankaj Jayantilal Gandhi, Independent Chartered Engineer in respect of the Proposed Greenfield Project*

[3] *Total amount deployed through internal accruals as on April 30, 2022, as per the certificate dated May 16, 2022 issued by our Statutory Auditors, M/s. Birju S. Shah & Associates, Chartered Accountants*

[4] *The amount does not exceed 25% of the Net Proceeds*

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates, current and valid quotations and other commercial and technical factors. However, such fund requirements and deployment of funds have not been appraised by any bank, or financial institution. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, competition, negotiation with vendors, variation in cost estimates on account of factors, incremental pre-operative expenses and other external factors such as changes in the business environment and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management, subject to compliance with applicable laws. Our historical capital expenditure may not be reflective of our future capital expenditure plans.

In the event that the estimated utilization of the Net Proceeds in a scheduled fiscal year is not completely met, due to the reasons stated above, the same shall be utilised in the next fiscal year, as may be determined by our Company, in accordance with applicable laws. Subject to applicable laws, in the event of any increase in the actual utilization of funds earmarked for the purposes set forth above, such additional funds for a particular activity will be met by way of means available to us, including from internal accruals and any additional equity and/or debt arrangements. Further, if the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding other existing objects of the Fresh Issue, if required and towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Net Proceeds in accordance with the SEBI ICDR Regulations.

Means of finance

The capital expenditure of ₹1,630 million will be met from the Net Proceeds and the balancing amount will be funded through Company’s internal accruals and hence, no amount is proposed to be raised through any other means of finance. Accordingly, we are in compliance with the requirements prescribed under Paragraph 9(C)(1) of Part A of Schedule VIII and Regulation 7(1)(e) of the SEBI ICDR Regulations which require firm arrangements of finance to be made through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Issue and existing identifiable internal accruals. In case of a shortfall in the Net Proceeds or any increase in the actual utilisation of funds earmarked for the Objects, our Company may explore a range of options including utilizing our internal accruals.

Details of the Objects of the Fresh Issue

1. Funding capital expenditure requirements for Proposed Greenfield Project

We aim to continue investing in expanding our manufacturing capacities to meet increasing demands for our products, along with the necessity to launch new products for various applications. As part of such expansion, our Board in its meeting dated October 3, 2020 approved to acquire land to set-up a manufacturing facility at 8202/1, Road No. 8, GIDC Industrial Estate, Sachin, Surat – 394230, Gujarat and for the Proposed Greenfield Project, we require to make investment in *inter alia* construction of factory building, equipment, plant and machinery and furniture and fixtures.

Land

The Proposed Greenfield Project is being set-up on the land parcel situated at 8202/1, Road No. 8, GIDC Industrial Estate, Sachin, Surat – 394230, Gujarat admeasuring 5,250 sq. mtrs. which is owned and possessed by our Company on a leasehold basis for a period of 99 years from GIDC, Surat (and no encumbrance has been created on such land parcels) pursuant to deed of conveyance dated July 20, 2021. Our Company is currently in possession of the land parcel which was acquired out of our internal accruals for consideration equivalent to ₹ 95.00 million towards acquiring the said land parcel on leasehold basis and other related expenses. These land parcels are registered in the name of our Company. The cost incurred for acquisition of such land parcels forms part of the total estimated cost of the Proposed Greenfield Project, but is not proposed to be funded from the Offer Proceeds.

Our Promoters, Directors and Key Managerial Personnel do not have any interest in this acquisition of the land parcels.

Means of finance for the Proposed Greenfield Project

The total estimated cost for the Proposed Greenfield Project is ₹ 1,900.00 million. We intend to fund the cost of the Proposed Greenfield Project as follows:

(in ₹ million)

Source of fund	Total estimated cost
Net Proceeds	1,630.00
Internal accruals	270.00
Total	**1,900.00** [(1)]

[(1)] *Total estimated cost as per certificate dated May 16, 2022 and a Tecno-Economic Viability Report issued by Dr. Pankaj Jayantilal Gandhi, Independent Chartered Engineer, in respect of the Proposed Greenfield Project*

We propose that any subsequent initial expenditure in relation to the Proposed Greenfield Project will be funded from our internal accruals until the Net Proceeds are available to our Company.

Estimated cost

The total estimated cost of the Proposed Greenfield Project is ₹ 1,900.00 million, as certified by Dr. Pankaj Jayantilal Gandhi, an independent chartered engineer (registration number: AM089164-1), pursuant to the Tecno-Economic Viability Report dated May 16, 2022. However, such total estimated cost and related fund requirements have not been appraised by any bank or financial institution.

Sr. No.	Particulars	Cost in ₹ Millions*
1	Land	95.00
2	Factory Building	250.26
3	Equipment, Plant & Machinery (including utilities, structure, pipes and fittings, pumps, electricals, instrumentation, quality control and laboratory equipment, fire and safety, computer information system, effluent treatment plant, storage and warehouse)	1,409.85
4	Furniture and Fixtures	9.51
5	Office Equipment	23.16
6	Miscellaneous (Contingencies for the price fluctuations and modifications, if any)	10.22
	Total Hard Costs (A)	**1,798.00**
	Deposits, Margin moneys, etc. (B)	**102.00**
	Total project cost (A + B)	**1,900.00**

**Inclusive of GST*

Land

The cost of procuring the land situated at 8202/1, Road No. 8, GIDC Industrial Estate, Sachin, Surat – 394230, Gujarat admeasuring 5,250 sq. mtrs. which is owned and possessed by our Company on a leasehold basis for a period of 99 years from GIDC, Surat.

Factory Building

Factory building include the civil and building work cost for the Proposed Greenfield Project. The total estimated cost for factory building work is ₹ 250.26 million.

Equipment, Plant & Machinery

Equipment required for the Proposed Greenfield Project include reactors, column, heat exchangers, storage tank, amongst others. Utilities required for the Proposed Greenfield Project includes water chillers. It further includes the cost of pipes and fittings, pumps, electricals, instrumentation, quality control and laboratory equipment, fire and safety measure, network and servers, effluent treatment plant, storage, warehouse and structural costs. The total estimated cost for equipment for the Proposed Greenfield Project is ₹ 1,409.85 million.

Furniture and Fixtures

The total estimated cost for the furniture and fixtures for the Proposed Greenfield Project is ₹ 9.51 million.

Office Equipment

Office Equipment include heating, ventilation and air conditioning system for the Proposed Greenfield Project. The total estimated cost for office equipment is ₹ 23.16 million.

Miscellaneous (Contingencies)

The Company envisages that there might be price fluctuations and the project cost may increase. The total estimated cost for contingencies is ₹10.22 million as estimated by the Company, based on its past experience.

An indicative list of activities included in the Proposed Greenfield Project that we intend to fund from the Net Proceeds, along with details of the quotation we have received in this respect is as follows. The details set out below are certified by Dr. Pankaj Jayantilal Gandhi, an independent chartered engineer pursuant to his certificate dated May 16, 2022.

Description of activity	Total Estimated cost (in ₹ million)*	Quotation/cost summary received from	Date of quotation / purchase order	Validity of quotation
Equipment	561.64	Technofab Engineers	April 28, 2022	July 27, 2022
		Sachin Industries Limited	April 29, 2022	July 5, 2022
Utilities	84.37	Kirloskar Chillers Private Limited	April 28, 2022	July 31, 2022
Structure	110.05	Shreeji Steels	March 9, 2022	July 25, 2022
Factory Building	250.26	Ashray Construction#	August 2, 2021	-
Pipes & Fittings	144.35	Indian Steel Center	April 28, 2022	July 27, 2022
Pumps	50.17	SM Industrial Stores	April 28, 2022	July 15, 2022
Electricals	126.29	Tirupati Sales Corporation	September 25, 2021	July 31, 2022
		AUM Industries	April 29, 2022	June 30, 2022
		Sunrise Efficient Marketing Limited	April 29, 2022	June 30, 2022
		Astek Electricals India Private Limited	October 6, 2021	July 31, 2022
Instrumentation	90.88	Lapp Group	September 23, 2021	June 25, 2022
		Yokogawa India Limited	October 12, 2021 and April 28, 2022	October 12, 2022 and June 20, 2022
QC & Lab	88.14	Kewaunee Labway India	October 1, 2021	July 20, 2022
		Agilent Technologies**	April 28, 2022	July 1, 2022
Fire & Safety	81.58	Star Enterprise	April 28, 2022	July 31, 2022
Computer Information System (CIS)	17.94	Varnitech Solution Private Limited	October 25, 2021	June 30, 2022
ETP	41.79	Vibrant Enterprise	October 1, 2021	June 30, 2022

Description of activity	Total Estimated cost (in ₹ million)*	Quotation/cost summary received from	Date of quotation / purchase order	Validity of quotation
		Spray Engineering Devices Limited	October 20, 2021	June 30, 2022
Storage & W/H	12.65	Nilkamal Storage Systems Private Limited	October 1, 2021	July 31, 2022
		Godrej and Boyce Manufacturing Company Limited	October 7, 2021	October 7, 2022
Furniture and Fixtures	9.51	Essteam Design Services LLP	April 29, 2022	July 28, 2022
Office Equipment	23.16	GD Waldner	April 29, 2022	July 28, 2022
Total	**1,692.78**			

#The Company has issued a purchase order dated August 2, 2021 for the first phase of the work
**Inclusive of GST*
*** The quotation provides figures in USD, which have been converted to INR at the conversion rate of ₹ 75 per USD*

The quotation received from the above suppliers are valid as on the date of this Prospectus. However, we have not entered into any definitive agreements with the suppliers and there can be no assurance that the abovementioned suppliers would be engaged to eventually provide the services at the same costs. If there is any increase in the costs, the additional costs shall be paid by our Company from its internal accruals. see "*Risk Factor–Our proposed capacity expansion plans via one of our new manufacturing facilities are subject to the risk of unanticipated delays in implementation and cost overruns*" on page 41. We do not intend to purchase any second-hand equipment in relation to this Object.

Our Promoters, Directors and Key Managerial Personnel do not have any interest in the proposed construction of building civil works, or in the entities from whom we have obtained quotation in relation to such activities.

Proposed schedule of implementation of the Proposed Greenfield Project

The proposed schedule of activities as per certificate dated May 16, 2022 issued by Dr. Pankaj Jayantilal Gandhi, Independent Chartered Engineer, in respect of the Proposed Greenfield Project are as follows:

Particulars	Actual / Estimated Commencement Date
Procurement of the land	July 27, 2021
Initiation of the digging of the ground	August 2, 2021
Beginning of building(s) construction	November 21, 2021
Placing of orders for the plants / machineries / equipment	Between January 1, 2022 and May 31, 2022
Completion of the ground and plinth work	April 30, 2022
Beginning of the structure work	From May 1, 2022
Receipt of the plants / machineries / equipment	From May 1, 2022
Installation of plants / machineries / equipment	From May 1, 2022
Completion of building(s) construction	June 30, 2022
Completion of the structure work	August 31, 2022
Commissioning of the plant / machineries / equipment / furniture / office equipment	By September 30, 2022
Trial run of the project to start from	By October 1, 2022
Trial run to complete by	By October 31, 2022
Commercial production to start from	By November 1, 2022

Power and water

Our Company is currently using 65 KW (power load) of power supply, from Dakshin Gujarat Vij Company Limited (DGVCL) and the same is enough for the current construction work which is going on.

Our Company intends to increase the power load to 1,250 KVA, upon installation and trial runs of the plant and machineries. Our Company has made an application for increasing the power supply.

Our Company has arrangements with GIDC Notified Area for supply of water. The water supply sufficient for the construction and initiation of the Proposed Greenfield Project.

Government approvals

In relation to the Proposed Greenfield Project, we are required to obtain approvals, which are routine in nature, from certain governmental or local authorities as provided in the table below and as certified by Dr. Pankaj Jayantilal Gandhi, an independent chartered engineer pursuant to its certificate dated May 16, 2022.

Sr. No.	Approval For	Authority	Application Date	Approval Date	Stage at which approvals are required	Status
1.	Approval for the building plans for the proposed factory	GIDC	July 10, 2021	August 17, 2021	Critical approval	Obtained
2.	EC Approval (Environmental Clearance)	State Level Environment Impact Assessment Authority ("**SEIAA**")	March 30, 2021	December 28, 2021	Critical approval	Obtained
3.	Electricity Board License	DGVCL	September 22, 2021	September 28, 2021 (for 65 KW)	Routine approval	Approved
4.	CTE (Consent to Establishment)	GPCB	December 29, 2021	January 10, 2022	Routine approval	Obtained
5.	Consolidated Consent and Authorization	GPCB	-	-	Routine approval After the commissioning of the project	Pending
6.	Factory Act License	Joint Director Industrial Safety & Health, Gujarat	-	-	Routine approval Before the commissioning of the factory operations	Pending
7.	License to import & store petroleum	License form Petroleum and Explosives Safety Organization	-	-	Routine approval After the commissioning of the project	Pending
8.	HT Power Approval	DGVCL	-	-	Routine approval Before the installation and commissioning of the machines, plant, equipment etc.	Pending

Our Company undertakes to file necessary applications with the relevant authorities for obtaining all above mentioned approvals as applicable, at the relevant stages. In the event of any unanticipated delay in receipt of such approvals, the proposed schedule implementation may be extended and our Company will undertake the required corporate actions as mentioned under "- *Variation in Objects*" on page 105 of this RHP. For further details on the pending applications in relation to the Proposed Greenfield Project, see "*Risk Factor – Our proposed capacity expansion plans via one of our new manufacturing facilities are subject to the risk of unanticipated delays in implementation and cost overruns"* on page 41.

2. Prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company

Our Company has entered into financing arrangements for availing certain terms loans and working capital loans. For disclosure of our borrowings as at March 31, 2022, see "*Financial Indebtedness*" beginning on page 318.

In such a situation, we may utilise the Net Proceeds for part or full repayment of any such additional loan or loans obtained to refinance any of our existing loans.

We may choose to repay or pre-pay certain borrowings availed by us, other than those identified in the table below, which may include additional borrowings we may avail after the filing of this Prospectus. Given the nature of these borrowings and the terms of repayment/pre-payment, the aggregate outstanding borrowing amounts may vary from time to time. In light of the above, at the time of filing this Prospectus, the table below shall be suitably updated to reflect the revised amounts or loans as the case may be which have been availed by us. In the event our Board deems appropriate, the amount allocated for estimated schedule of deployment of Net Proceeds in a particular fiscal may be repaid/ pre-paid in part or full by our Company in the subsequent fiscal. The selection of borrowings proposed to be repaid/pre-paid by us shall be based on various factors including (i) any conditions attached to the borrowings restricting our ability to prepay the borrowings and time taken to fulfil such requirements, (ii) levy of any prepayment penalties and the quantum thereof, (iii) other commercial considerations including, among others, the interest rate on the loan facility, the amount of the loan outstanding and the remaining tenor of the loan, (iv) receipt of consents for prepayment or waiver from any conditions attached to such prepayment from our lenders and (v) provisions of any law, rules, regulations governing such borrowings. Further, our Company has obtained a written consent from the relevant lender for undertaking the Offer.

We believe that such repayment or prepayment will help reduce our outstanding indebtedness and our debt-equity ratio and enable utilization of our internal accruals for further investment in business growth and expansion in new projects. Our Company may avail further loans after the date of this Prospectus and/or draw down further funds under existing loans. In addition, we believe that the strength of our balance sheet and our leverage capacity will further improve, which shall enable us to raise further capital in the future at competitive rates to fund potential business development opportunities and plans to grow and expand our business in the coming years.

We propose to utilise an amount of ₹ 1,379.00 million from the Net Proceeds towards repayment or prepayment, in part or full, of certain borrowings listed in the table below of which certain of the borrowings pertains to working capital facilities availed by our Company. The following table provides details of certain borrowings availed by us which are outstanding as on March 31, 2022, out of which we may repay or prepay, in full or in part, any or all of the borrowings from the Net Proceeds:

S.No	Bank Name	Type of Loan	Amount sanctioned as on March 31, 2022 (₹ in million)	Loan amount availed and utilized (₹ in million)*	Loan amount proposed to be repaid from the IPO Proceeds (₹ in million)*	Amount outstanding as on March 31, 2022 (₹ in million)*	Purpose for which loan amount was utilised*	Tenor	Interest rate per annum as of March 31, 2022	Pre-payment penalty
1.	State Bank of India	Term Loan	115.00	55.14	55.00	55.14	New Project at the Manufacturing Site 02	7 years and 6 months	8.50%	No prepayment penalty
2.	State Bank of India	Working Capital Limits	210.00	142.64	142.00	142.64	Working Capital requirement of the Company	Repayable on Demand and renewal every year	7.90%	No prepayment penalty
3.	HDFC Bank Limited	Working Capital Limits	820.00	742.71	742.00	742.71	Working Capital requirement of the Company	Repayable on Demand and renewal every year	6.25%	No prepayment penalty

S.No	Bank Name	Type of Loan	Amount sanctioned as on March 31, 2022 (₹ in million)	Loan amount availed and utilized (₹ in million)*	Loan amount proposed to be repaid from the IPO Proceeds (₹ in million)*	Amount outstanding as on March 31, 2022 (₹ in million)*	Purpose for which loan amount was utilised*	Tenor	Interest rate per annum as of March 31, 2022	Pre-payment penalty
4. .	HDFC Bank Limited	Term Loan	700.00	472.79	440.00	472.79	Various expansion work at Manufacturing Site 01 and Manufacturing Site 02	Repayable in 20 equal instalments	6.25%	No prepayment penalty
	Total		**1,845.00**	**1,413.28**	**1,379.00**	**1,413.28**				

** In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, our Company has obtained a certificate dated May 16, 2022 from our Statutory Auditors, M/s. Birju S. Shah & Associates, our Statutory Auditors, certifying the utilization of each loan for the purpose for which it was availed and the amount outstanding as on March 31, 2022.*

3. Funding working capital requirements of our Company

In light of the Proposed Greenfield Project and in order to support the incremental business requirements, our Company requires additional working capital for funding its working capital requirements in the Fiscal 2023.

Basis of estimation of working capital requirement

The details of Company's working capital as at December 31, 2021, December 31 2020, March 31, 2021, March 31, 2020 and March 31, 2019, and the source of funding, on the basis of Restated Financial Statements, as certified by our Statutory Auditor, M/s. Birju S. Shah & Associates, Chartered Accountants through their report dated May 16, 2022, are provided in the table below:

(₹ in million)

Particulars	As at December 31, 2021	As at December 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Current assets					
(a) Inventories	1,497.48	683.06	847.28	719.39	398.36
(b) Financial assets					
(i) Investments	191.31	0.13	220.90	0.13	0.12
(ii)Trade receivables	1,691.78	1,073.51	1,082.40	629.70	481.94
(iii) Cash and cash equivalents	55.64	14.30	35.14	0.73	0.98
Bank balances other than (iii) above	429.15	20.01	20.49	35.27	12.03
(iv) Loans	9.82	7.95	7.92	7.04	5.12
(v) Other financial assets	2.02	3.75	5.71	0.60	1.68
(c) Other current assets	297.56	127.45	115.44	85.02	60.86
Total current assets (A)	**4,174.75**	**1,930.16**	**2,335.28**	**1,477.89**	**961.09**
Current liabilities[(1)]					
(a) Financial liabilities					

Particulars	As at December 31, 2021	As at December 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
(i) Lease liabilities	8.56	4.00	3.56	2.54	0.94
(ii) Trade payables	859.64	470.92	477.73	383.57	228.07
(iii) Other financial liabilities	44.78	38.63	44.43	15.75	18.18
(b) Provisions	3.96	4.60	0.00	0.05	0.00
(c) Other current liabilities	45.37	34.46	41.51	16.01	119.20
(d) Current tax liabilities (net)	2.73	(0.05)	7.70	6.73	17.21
Total current liabilities (B)	**965.02**	**552.57**	**574.93**	**424.65**	**383.60**
Total working capital requirements (A-B)	**3,209.73**	**1,377.59**	**1,760.35**	**1,053.24**	**577.49**
Funding Pattern					
Working capital funding from banks[(1)]	901.91	692.20	707.53	514.10	330.65
Internal accruals	2,307.82	685.39	1,052.82	539.14	246.84

[(1)] *Excluding current maturities of long-term debt and unsecured borrowings*

For further details, please refer to "*Other Financial Information*" on page 278.

On the basis of existing and estimated working capital requirement of our Company on a standalone basis, and assumptions for such working capital requirements, our Board pursuant to its resolution dated December 6, 2021 has approved the projected working capital requirements for Fiscals 2023 and the proposed funding of such working capital requirements as set forth below:

Particulars	Fiscal 2023 (₹ in Million)
I. Current assets	
(a) Inventories	1,531.80
(b) Financial assets	
(i) Investments	40.50
(ii) Trade receivables	1,875.60
(iii) Cash and cash equivalents	10.60
(iv) Bank balances other than (ii) above	53.50
(c) Other current assets	295.00
Total current assets (A)	**3,807.00**
II. Current liabilities	
(a) Financial liabilities	
a) Trade payables	738.20
(b) Provisions	10.80
(c) Other current liabilities	134.70
(d) Current tax liabilities (net)	17.30
Total current liabilities (B)	**901.00**
III. Total working capital requirements (C=A-B)	**2,906.00**
IV. Funding Pattern	

Particulars	Fiscal 2023 (₹ in Million)
(a) Working capital funding from banks	1,000.00
(b) Internal accruals	256.00
(c) Amount proposed to be utilised from Net Proceeds	**1,650.00**

**Pursuant to the report dated May 16, 2022, issued by our Statutory Auditors, M/s. Birju S. Shah & Associates, Chartered Accountants.*

Assumptions for our estimated working capital requirements

The table below contains the details of the holding levels (days) considered:

Inventory Days:

As at March 31, 2023 (assumed)	As at December 31, 2021	As at December 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
166	192	106	134	169	133

Trade Receivable Days:

As at March 31, 2023 (assumed)	As at December 31, 2021	As at December 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
97	105	88	88	76	87

Trade Payable Days:

As at March 31, 2023 (assumed)	As at December 31, 2021	As at December 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
80	110	73	76	90	76

Key justifications for holding levels

Sr. No.	Particulars	Assumptions
1.	Inventories	Raw materials: The Company is holding inventory of Raw Material for at least 5 month, in order to have the required critical raw materials in stock to cater to the required manufacturing due to the demand for the products of the Company
		Work in progress: the Company typically maintains 15 days of inventory in Work-in-Progress (Semi Finished Goods)
		Finished Goods: The Company typically maintains a low level of inventory of Finished Goods due to the demand from various customers based on which the products are manufactured. The Company usually manufactures the Finished Goods as per the orders received, and hence the Finished Goods are not in inventory for more than a week.
2.	Trade Receivables	Company typically offers a credit period of 3 months to its customers, the same is expected to be 97 days for Fiscal 2023
3.	Cash and cash equivalents	Cash and cash equivalents are mostly held in the form of cash for the normal expenses in the Company. The other cash equivalents include the fixed deposits placed with the banks for the issue of bank guarantees and import letter of credits as margins. Letters of credits, are usually ranging from 90 days to 120 days, which is assumed in future also. Bank guarantees however are for longer durations and hence the margin in form of fixed deposits will be held up for longer periods.
4.	Trade payables	Company typically gets an average credit period of 80 to 90 days, it is expected to be 80 days for Fiscal 2023
5.	Other financials Assets	It is assumed that other Financial Assets will be in the form of loans & advances to employees which will continue as per the policies defined by the Company
6.	Other financial Liabilities	These are assumed to be having payment cycle as per the terms and conditions prevailing for each such financial liability.
7.	Capacity utilisation	Existing manufacturing facility: 81.97% and Solvent Recovery: 100.00% Proposed Greenfield Project: 41.00%.

Sr. No.	Particulars	Assumptions
		The installed capacity per annum for existing facilities is 6,096 MT per annum in the Fiscal 2021 and is expected to be 6,096 MT per annum in Fiscal 2022. The same will be increased by the Company to 6,500 MT per annum, by additional capex by installing required plants, machineries and equipment. The proposed production at Proposed Greenfield Project is expected for 5 months in Fiscal 2023, accordingly, the capacity utilization has been calculated by dividing the proposed production for the Fiscal 2023 by 41.67% of the annualized installed capacity.

4. General Corporate Purposes

We will have flexibility in utilizing the balance Net Proceeds, if any, for general corporate purposes, subject to such utilisation not exceeding 25% of the Net Proceeds from the Fresh Issue and the proceeds from the Pre-IPO Placement, in accordance with Regulation 7(2) of the SEBI ICDR Regulations, including but not restricted towards part or full prepayment / repayment of our borrowings, capital expenditure, strategic initiatives, initiatives, funding growth opportunities, including acquisitions and meeting exigencies, brand building, meeting expenses incurred by our Company and strengthening of our manufacturing capabilities, as may be applicable. The quantum of utilisation of funds toward the aforementioned purposes will be determined by our Board based on the amount actually available under the head "General Corporate Purposes" and the corporate requirements of our Company.

In case of variations in the actual utilization of funds designated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any which are not applied to the other purposes set out above.

In addition to the above, our Company may utilize the Net Proceeds towards other expenditure (in the ordinary course of business) considered expedient and approved periodically by the Board. Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may also change. This may also include rescheduling the proposed utilization of Net Proceeds and increasing or decreasing expenditure for a particular Object i.e., the utilization of Net Proceeds.

Interim use of Net Proceeds

The Net Proceeds pending utilisation for the purposes stated in this section, shall be deposited only with scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended. In accordance with Section 27 of the Companies Act, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Bridge Financing Facilities

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Prospectus, which are proposed to be repaid from the Net Proceeds.

Offer Expenses

The total Offer related expenses are estimated to be approximately ₹ 432.38 million. The Offer related expenses consist of listing fees, fees payable to the BRLMs, legal counsels, Registrar to the Offer, Bankers to the Offer processing fee to the SCSBs for processing ASBA Forms submitted by ASBA Bidders procured by the Syndicate and submitted to SCSBs, brokerage and selling commission payable to the Syndicate, Registered Brokers, SCSBs, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental expenses for listing the Equity Shares on the Stock Exchanges. The expenses directly attributable to the portion with regard to the Offer for Sale shall be borne by the Promoter Selling Shareholder in proportion to the number of Equity Shares sold by her in the Offer and will be deducted from the Offer proceeds, as appropriate, and only the balance amount will be paid to the Promoter Selling Shareholder, in accordance with Section 28(3) of the Companies Act, 2013.

It is clarified that, if the Offer is withdrawn or not completed for any reason whatsoever, all Offer related expenses shall be shared between the Company and the Promoter Selling Shareholder in proportion to the number of Equity Shares offered by the Company through the Fresh Issue and the number of Offered Shares offered by the Promoter Selling Shareholder in the Offer for Sale, in accordance with Applicable Law.

The break-up for the estimated Offer expenses are set forth below:

Activity	Estimated expenses (in ₹ million)	As a % of the total estimated Offer expenses	As a % of the total Offer size
BRLMs' fees and commissions (including underwriting commission, brokerage and selling commission)	254.73	58.91%	3.15%
Commission/processing fee for SCSBs, Sponsor Banks and Bankers to the Offer and Bidding/uploading charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs	18.52	4.28%	0.23%
Fees payable to the Registrar to the Offer	0.36	0.08%	0.00%
Others			
(i) Listing fees, SEBI filing fees, upload fees, Stock Exchanges processing fees, book building software fees and other regulatory expenses	33.01	7.63%	0.41%
(ii) Printing and stationery expenses	13.91	3.22%	0.17%
(iii) Advertising and marketing expenses	52.00	12.03%	0.64%
(iv) Fees payable to legal counsels	33.60	7.77%	0.42%
(v) Fees payable to the Monitoring Agency	0.20	0.05%	0.00%
(vi) Miscellaneous	26.04	6.02%	0.32%
Total estimated Offer expenses	**432.38**	**100.00%**	**5.35%**

(1) Selling commission payable to the SCSBs on the portion for Retail Individual Bidders, Eligible Employees and Non-Institutional Bidders which are directly procured and uploaded by the SCSBs, would be as follows:

*Portion for Retail Individual Bidders**	*0.35% of the Amount Allotted (plus applicable taxes)*
*Portion for Eligible Employees**	*0.25% of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*0.25% of the Amount Allotted (plus applicable taxes)*

**Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price*

Selling Commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE

(2) No processing fees shall be payable by our Company to the SCSBs on the Bid cum Applications Forms directly procured by them.

Processing fees payable to the SCSBs ₹ 10 per valid application (plus applicable taxes) for processing the Bid cum Application Form for Retail Individual Bidders, Non-Institutional Bidders, Eligible Employees which are procured by the members of the Syndicate/subSyndicate/Registered Broker/RTAs/ CDPs and submitted to SCSB for blocking.

(3) The Processing fees for applications made by UPI Bidders using the UPI Mechanism would be as follows:

*Sponsor Banks**	*For HDFC processing fee is Nil. For Kotak Mahindra Bank Limited and Axis Bank Limited processing fee is ₹8 and ₹7.5 respectively per valid Bid cum Application Form* (plus applicable taxes).* *The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NCPI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws*

**Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price*

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and such payment of processing fees to the SCSBs shall be made in compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

(4) *Selling commission on the portion for UPI Bidders (using UPI Mechanism), Eligible Employees and Non-Institutional Bidders which are procured by members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, CRTAs and CDPs or for using 3-in-1 type accounts-linked online trading, demat and bank account provided by some of the brokers which are members Syndicate (including their sub-Syndicate Members) would be as follows:*

*Portion for Retail Individual Bidders**	*0.35% of the Amount Allotted (plus applicable taxes)*
*Portion for Eligible Employees**	*0.25% of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*0.25% of the Amount Allotted (plus applicable taxes)*

**Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price*

The selling commission payable to the Syndicate / sub-Syndicate Members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / sub-Syndicate Member, is bid by an SCSB, the selling commission will be payable to the SCSB and not the Syndicate / sub-Syndicate Member.

Uploading charges payable to members of the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs on the applications made by Retail Individual Bidders using 3-in-1 accounts and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking or using 3-in-1 accounts, would be as follows: ₹ 10 plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs.

The selling commission and bidding charges payable to Registered Brokers, the CRTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

(5) *Selling commission/ uploading charges payable to the Registered Brokers on the portion for Retail Individual Bidders, Eligible Employees and Non-Institutional Bidders which are directly procured by the Registered Broker and submitted to SCSB for processing, would be as follows:*

*Portion for Retail Individual Bidders**	*₹10 per valid application (plus applicable taxes)*
*Portion for Eligible Employees**	*₹10 per valid application (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*₹10 per valid application (plus applicable taxes)*

** Based on valid applications*

(6) *Uploading charges/ Processing fees for applications made by UPI Bidders using the UPI Mechanism would be as under:*

Payable to Members of the Syndicate (including their sub-Syndicate Members)/ RTAs / CDPs	*₹30 per valid application (plus applicable taxes)*

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Escrow and Sponsor Bank Agreement.

The Offer expenses shall be payable in accordance with the arrangements or agreements entered into by our Company with the respective Designated Intermediary.

Monitoring of Utilization of Funds

In terms of Regulation 41 of the SEBI ICDR Regulations, our Company has appointed HDFC Bank Limited as the monitoring agency to monitor the utilization of the Net Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee. Our Company will disclose the utilisation of the Net Proceeds, including interim use under a separate head in its balance sheet until such time as the Net Proceeds remain unutilized, clearly specifying the purposes for which the Net Proceeds have been utilised. Our Company will also, in its balance sheet for the applicable fiscal periods, provide details, if any, in relation to all such Net Proceeds that have not been utilised, if any, of such currently unutilised Net Proceeds.

Pursuant to the SEBI Listing Regulations, our Company shall on a quarterly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Our Company shall, on an annual basis, prepare a statement of Net Proceeds utilised for purposes other than those stated in this Prospectus and place it before our Audit Committee. Such disclosure shall be made only until such time that the Net Proceeds have been utilised in full. The statement shall be certified by the Statutory Auditors. Furthermore, in accordance with the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act, our Company shall not vary the Objects of the Offer unless our Company is authorized to do so by way of a special resolution of its Shareholders. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details and be published in accordance with the Companies Act. The notice will be published in the newspapers, one in English and one in Gujarati (Gujarati being the regional language of Gujarat, where our Registered Office is located). Pursuant to Sections 13(8) and 27 of the Companies Act, 2013, our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, subject to the provisions of the Companies Act, 2013 and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with the Companies Act, 2013 and the SEBI ICDR Regulations.

Appraising agency

None of the objects of the Fresh Issue for which the Net Proceeds will be utilized have been appraised by any bank/ financial institution/any other agency.

Other confirmations

There is no proposal whereby any portion of the Net Proceeds will be paid to our Directors, Promoters, Promoter Group or Key Managerial Personnel, except in the ordinary course of business. There are no material existing or anticipated transactions in relation to the utilisation of the Net Proceeds entered into or to be entered into by our Company with our Promoters, Promoter Group, Directors and/or Key Managerial Personnel.

BASIS FOR OFFER PRICE

The Price Band, Floor Price and Offer Price has been determined by our Company and the Promoter Selling Shareholder in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares issued through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10 each and the Offer Price is 64.20 times the face value. Investors should also see the sections entitled "*Our Business*", "*Risk Factors*" and "*Financial Information*" on pages 153, 25, and 219, respectively, to have an informed view before making an investment decision.

Qualitative Factors

We believe the following business strengths allow us to successfully compete in the industry:

- Differentiated portfolio of market-leading products
- Focus on R&D to leverage our core competencies of chemistry and technology
- Long standing relationships with a diversified customer base
- Synergistic Business Models focused on Large Scale Manufacturing, CRAMS and Contract Manufacturing
- Focus on Quality, Environment, Health and Safety (QEHS)
- Strong and consistent financial performance
- Experienced Promoters and Senior Management with extensive domain knowledge

For details, please see the section entitled "*Our Business – Our Strengths*" on page 158.

Some important factors that could impact our business, results include, but are not limited to the following:

1. The BRLMs and the Syndicate Members shall not be allowed to subscribe to or purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLMs and the Syndicate Members may Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may or purchase be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.
2. We are subject to certain risks consequent to our operations involving the manufacture, usage and storage of various hazardous substances
3. We derive a significant part of our revenue from major customers and we do not have long term contracts with all of these customers. If one or more of such customers choose not to source their requirements from us or to terminate our long-term contracts, our business, financial condition and results of operations may be adversely affected
4. Our insurance coverage may not adequately protect us against all losses or the insurance cover may not be available for all the losses as per the insurance policy, which could adversely affect business, financial condition and results of operations
5. Non-compliance with and changes in, safety, health, environmental and labour laws and other applicable regulations, may adversely affect our business, financial condition and results of operations. We have, in the past, failed to make a regulatory filing in a timely manner with the MCA under applicable law
6. Downgrade of our debt ratings
7. Inability to successfully implement some or all our business strategies in a timely manner or at all
8. Reliance on certain industries for a significant portion of our sales

Quantitative Factors

Some of the information presented in this chapter is derived from the Restated Financial Statements. For further information, please see the section entitled "*Financial Information*" on page 219.

Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

1. Basic and Diluted Earnings per Share

Fiscal / period ended	Basic EPS (₹)	Diluted EPS (₹)	Weight
March 31, 2021	7.36	7.36	3
March 31, 2020	4.24	4.24	2
March 31, 2019	2.48	2.48	1
Weighted Average	**5.51**	**5.51**	-
Nine month period ended	7.45	7.45	

December 31, 2021*^			

** Not Annualized*

^ The Company has undertaken a Pre-IPO Placement on May 5, 2022, for the purpose of the calculation of earnings per share for the nine month period ended December 31, 2021, the impact of such Pre-IPO Placement has not been considered.

Notes:

a) Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights

b) Basic EPS = Net Profit after tax, as restated, attributable to owners of the Company , as restated Weighted average no. of equity shares outstanding during the year as adjusted for bonus issue.

c) Diluted EPS = Net Profit after tax, as restated, attributable to owners of the Company , as restated Weighted average no. of equity shares outstanding during the year as adjusted for bonus issue.

d) Earnings per Share calculations are in accordance with the notified Indian Accounting Standard 33 'Earnings per share'.

e) The figures disclosed above are based on the Restated Financial Statements of our Company.

2. Price/Earning ("P/E") Ratio in relation to the Price Band of ₹ 610 to ₹ 642 per Equity Share:

Particulars	P/E at Floor Price (no. of times)	P/E at Cap Price (no. of times)
Based on basic EPS of ₹ 7.36 as per the Restated Financial Statements for the year ended March 31, 2021	82.88	87.23
Based on diluted EPS of ₹ 7.36 as per the Restated Financial Statements for the year ended March 31, 2021	82.88	87.23

Industry Peer Group P/E ratio

Particulars	P/E ratio
Highest	112.10
Lowest	55.62
Average	**83.35**

Notes:

(1) The highest and lowest industry P/E shown above is based on the peer set provided below under "Comparison with listed industry peers". The industry average has been calculated as the arithmetic average P/E of the peer set provided below. For further details, see "- Comparison with listed industry peers" hereunder.

(2) P/E figures for the peer are computed based on closing market price as on May 4, 2022 on NSE, divided by diluted EPS for the Financial Year 2021.

3. Average Return on Net Worth ("RoNW")

Fiscal/period ended	RoNW (%)	Weight
March 31, 2021	40.79%	3
March 31, 2020	51.04%	2
March 31, 2019	60.54%	1
Weighted Average	47.50%	-
Nine months period ended December 31, 2021*^	23.01%	

** Not annualized*

^ The Company has undertaken a Pre-IPO Placement on May 5, 2022, for the purpose of the calculation of the average return on net worth for the nine month period ended December 31, 2021, the impact of such Pre-IPO Placement has not been considered.

Note:

i) Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights

ii) Return on Net Worth (%) = Net Profit after tax attributable to owners of the Company, as restated / Restated net worth at the end of the year/period

iii) Net worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits 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 as *on December 31, 2021, March 31, 2019; 2020 and 2021 in accordance with Regulation 2(1)(hh) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.*

iv) In the Net Worth, the Redeemable / Convertible Preference Share Capital of ₹ 250.00 million is also considered.

4. Net Asset Value per Equity Share ("NAV")

Net Asset Value per Equity Share	(₹)
As on December 31, 2021^	31.97
As on March 31, 2021	15.69
After the Offer	
-At the Floor Price	80.21
-At the Cap Price	80.62
Offer Price	642.00

^ The Company has undertaken a Pre-IPO Placement on May 5, 2022, for the purpose of the calculation of the Net Asset Value per Equity Share as on December 31, 2021, the impact of such Pre-IPO Placement has not been considered.

Notes:

a) Net Asset Value per Equity Share = Net worth as per the Restated Financial Statements / Number of equity shares outstanding as at the end of year/period.

b) Net worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits 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 as on March 31, 2019; 2020 and 2021 in accordance with Regulation 2(1)(hh) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

5. Comparison of accounting ratios with listed industry peers

Following is the comparison with our peer group companies listed in India and in the same line of business as our Company:

Name of the company	Standalone/ Consolidated	Face value (₹ per share)	Total Revenue (in ₹ million)	EPS (₹)		NAV (₹ per share)	P/E	RoNW (%)
				Basic	Diluted(1)			
Company	Standalone	10	4,537.89	7.36	7.36	15.69^	-	40.79
Peer Group								
Clean Science and Technology Limited	Standalone	1	5,380.50	18.68	18.68	50.84	100.08	36.74
Navin Fluorine International Limited	Consolidated	2	12,584.37	52.03	51.96	330.06	73.96	15.76
Vinati Organics Limited	Consolidated	1	9,801.02	26.20	26.20	150.16	74.96	17.45
PI Industries Limited	Consolidated	1	47,019.00	49.92	49.89	352.13	55.62	13.82
Fine Organic Industries Limited	Consolidated	5	11,503.16	39.25	39.25	238.55	112.10	16.45

Notes:

a) *With respect to our Company, the information above is based on the Restated Financial Statements for the year ended March 31, 2021*

b) *Financial information for listed industry peers mentioned above is for the year ended March 31, 2021 is based on disclosures/submissions made by these companies to the stock exchanges/ financial hosted on their website*

c) *Diluted EPS refers to the diluted earnings per share of the respective company*

d) *NAV is computed as the net worth at the end of the year divided by the closing outstanding number of equity shares*

e) *P/E Ratio has been computed based on the closing market price of the equity shares (Source: NSE) on May 4, 2022, divided by the diluted EPS*

f) *RoNW is computed as net profit attributable to owners of the company divided by net worth at the end of the year*

g) *Net worth is share capital and other equity*

^ Net asset value per share means Total equity at the end of the year / Total number of Equity Shares outstanding at the end of the period adjusted for the impact of bonus issue after the end of the period

The trading price of the Equity Shares could decline due to the factors mentioned in the section entitled "*Risk Factors*" on page 25 and any other factors that may arise in the future and you may lose all or part of your investments.

The Offer Price of ₹ 642 has been determined by our Company and the Promoter Selling Shareholder, in consultation with the BRLMs, on the basis of the demand from investors for the Equity Shares through the Book Building Process. Our Company and the Promoter Selling Shareholder, in consultation with the BRLMs, is justified of the Offer Price in view of the above qualitative and quantitative parameters. Investors should read the abovementioned information along with the sections entitled "*Risk Factors*", "*Our Business*" and "*Financial Information*" on pages 25, 153 and 219, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the section entitled "*Risk Factors*" or any other factors that may arise in the future and you may lose all or part of your investments.

Justification for Basis of Offer Price:

- Further, as per the F&S Report, which has been exclusively commissioned and paid for by us in connection with the Offer, the following is a summary of certain financial metrics of certain listed companies and Aether Industries Limited, during Fiscal 2019, Fiscal 2020 and Fiscal 2021:

    - CAGR% (FY19-FY21) of Revenue from Operations:

	Vinati Organics	**Clean Science and Technology**	**PI Industries**	**Navin Fluorine**	**Fine Organics**	**Aether**
FY19-FY21	-8.02%	14.15%	26.93%	8.82%	3.38%	49.53%

    - CAGR% (FY19-FY21) of EBITDA:

	Vinati Organics	**Clean Science and Technology**	**PI Industries**	**Navin Fluorine**	**Fine Organics**	**Aether**
FY19-FY21	-8.75%	37.83%	32.52%	19.01%	-7.64%	53.65%

    - ROE:

	Vinati Organics	**Clean Science and Technology**	**PI Industries**	**Navin Fluorine**	**Fine Organics**	**Aether**
FY21	17.40%	36.80%	13.80%	15.80%	16.40%	40.79%

- According to Frost & Sullivan, chemical companies usually have a single or a couple of chemistry competencies for their entire product portfolio; however, the Company has eight chemistry competencies to use for its wide array of products, which enables us to cater to niche and advanced intermediate requirements of a wider range of end-products and applications.

- The Company is the largest manufacturer in the world in CY 2020 for four products (4MEP, T2E, NODG, HEEP) and sole manufacturer in India for 7 products (4MEP, T2E, OTBN, NODG, DVL, BFA, MMBC). *(Source: F&S Report).* All the above products were historically imported from China into India. Please refer to page 154 of the RHP, for further details.

- The Company has been continuously focusing on research and development, As of March 31, 2022, we had a specialized R&D team of 164 scientists and engineers including 92 scientists (with PhDs or Master of Science degrees) and 72 chemical engineers. In the nine months ended December 31, 2021 and Fiscal 2021, Fiscal 2020 and Fiscal 2019, our expenditures (revenue and capital) incurred on research and development were ₹242.47 million, ₹192.83 million, ₹120.92 million and ₹52.91 million, respectively, which represented 5.40%, 4.25%, 3.98% and 2.60%, respectively, of our total income. Please refer to page 153 of the RHP, for further details.

- For the competency of tandem Grignard and ethylene oxide chemistry, the Company is a pioneer in Indian speciality chemicals market (Source: F&S Report). The Company is one of the few companies in the specialty chemicals sector who has deployed continuous reaction technology as a core technology competency at all stages (R&D, Pilot Plant and large scale manufacturing). (Source: F&S Report). Based on the technical expertise that the Company has developed over the years, the Company is able to carry out innovative processes at global scale, which, according to Frost & Sullivan, is difficult to replicate, and creates significant barriers for new entrants. Please refer to page 115 of the RHP, for further details.

- The Company has one of the largest pilot plants in the world with 106 reactors installed, for both batch as well as continuous reaction technology (Source: F&S Report). Such state-of-the-art Pilot Plant with DCS process automation serves dual functionality- (i) it enables the Company to generate critical scale-up data in the transition from R&D to production to help eliminate issues at full production scale; (ii) it also functions as a stand-alone manufacturing facility for low volume, high value products for its CRAMS customers. Please refer to page 153 of the RHP, for further details.

- With such chemistry and technology competencies, the Company has built a robust pipeline of products which are planned to be launched in Fiscal 2022-23 – (i) Dolutegravir (Antiretroviral to treat HIV/AIDS) (ii) Carbamazepine (Anti-epileptic) (iii) Oxcarbazepine (Anticonvulsant) (iv) Memantine (treats symptoms of Alzheimer's) (v) Ambroxol (treatment of respiratory disease) (Source: F&S Report). Please refer to page 153 of the RHP, for further details.

- The Company's customers include over 160 multinational, global, regional and local companies. Customer engagements are dependent on us delivering quality products consistently (Page 153 of the RHP). Its potential customers may require considerable amounts of time to approve the Company as suppliers to ensure that all their quality controls are met and that the Company meet all their requirements across a variety of jurisdictions and multiple regulators. Due to the resources involved in engaging with new suppliers, customers are less inclined to pursue alternate supply sources. This provides the Company with an advantage over new entrants that would need to make significant investments and endure a long gestation period with potential customers in order to effectively compete. Please refer to page 153 of the RHP, for further details.

- The Company has experienced promoters and senior management with extensive domain knowledge. Please refer to page 196 of the RHP, for further details.

- The Company has career technocrat Promoters who have extensive domain knowledge and come with combined experience of over 125 years in the chemical industry. Such Industry experience enables management of the critical aspects of the Company's business, including R&D, process and plant engineering, finance, and marketing. Please refer to page 153 of the RHP, for further details.

  The Company has a highly accomplished International Sales & Marketing team which consists of veterans of chemical industry, namely Raymond Paul Roach (Business Development Leader – Americas); Dr. James Ringer (Business Development Leader – Americas); and Dr. Norbert Flüggen (Business Development Leader – Europe). (i) Mr. Raymond Paul Roach has previously worked at The Dow Chemical Company (USA). Raymond Paul Roach is the inventor / co-inventor on 7 patents granted in USA and published worldwide. (ii) Dr. James Ringer has previously worked at The Dow Chemical Company or its subsidiaries, for more than 30 years, in various positions including Director R&D, R&D Director II, and Leader R&D Director. He is the inventor / co-inventor on 22 patents granted in USA and published worldwide. (iii) Dr. Norbert Flüggen has previously worked at with ALTANA, AG, Germany. Such an accomplished senior management team with decades of industry experience enables the Company to anticipate and address market trends, manage, and grow its operations, maintain and leverage customer relationships and respond to changes in customer preferences. Please refer to page 210 of the RHP, for further details.

STATEMENT OF SPECIAL TAX BENEFITS

Date: May 7, 2022

To,

The Board of Directors
Aether Industries Limited
Plot No. 8203,
GIDC Sachin,
Surat GJ 394230 IN

Statement of possible special tax benefits (under direct and indirect tax laws) available to Aether Industries Limited (the "Company") and its shareholders in accordance with the requirements under Schedule VI Part A- Clause (9) (L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations").

Ladies and Gentlemen,

We, Birju S. Shah & Associates, the statutory auditors of the Company, hereby confirm that the enclosed statement is in connection with the special tax benefits available to the Company, the shareholders of the Company, under the Income Tax Act, 1961, as amended (the "**Act**"), presently in force in India, the Finance Act, 2021, Goods and Service Tax Act, 2017, Customs Act 1962, each as amended, i.e. applicable for financial year 2022-23, relevant to the assessment year 2023-24, presently, in force in India as on the date of this certificate in the enclosed statement at **Annexure I**.

The Company does not have subsidiaries.

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act which are based on business imperatives the Company may face in the future and accordingly, the Company may or may not choose to fulfil.

The benefits discussed in the enclosed **Annexure I** are not exhaustive. We were informed that this statement covers only special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company and is only intended to provide general information to the investors for the Offer and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering ("**Offer**").

We confirm that Annexure I provide in all material respects the special tax benefits available to the Company or its shareholders in accordance with the applicable tax laws as on the date of this certificate.

We do not express any opinion or provide any assurance as to whether:

(1) The Company or its shareholders will continue to obtain these benefits in future; or

(2) The conditions prescribed for availing the benefits have been/ would be met with.

(3) The revenue authorities/courts will concur with the views expressed therein

The contents of the enclosed Annexures are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

We have conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India ("**ICAI**") which requires that we comply with ethical requirements of the Code of Ethics issued by the ICAI. We hereby confirm that while providing this certificate we have complied with the Code of Ethics issued by the ICAI.

We confirm that the information in this certificate is true and correct and there is no untrue statement or omission which would render the contents of this certificate misleading in its form or context.

This certificate may be relied upon by the Company, the Book Running Lead Managers, and the legal counsels appointed by the Company and the Book Running Lead Managers in relation to the Offer. We hereby consent to extracts of, or reference to, this certificate being used in red herring prospectus and prospectus or any other documents in connection with the Offer (collectively, the "**Offer Documents**"). We also consent to the submission of this certificate as may be necessary, to any regulatory authority and/or for the records to be maintained by the Book Running Lead Managers in connection with the Offer and in accordance with applicable law.

Yours faithfully

For, Birju S. Shah & Associates
Chartered Accountants
ICAI Firm Registration Number: 131554W

Proprietor
Membership No. 107086
Place: SURAT
UDI Number: 22107086AIOGHN3359
Peer Review Certificate No. : 013598

Encl: Annexure I (Statement of tax benefits)

Annexure I

Outlined below are the special tax benefits available to the Company and its shareholders under the Income-tax Act, 1961 ("**the Act**") including all the Rules pronounced therein], Goods and Service Tax Act, 2017 (including all the Rules pronounced therein) and Customs Act 1962 (including all the Rules pronounced therein), each as amended by the Finance Act 2022, i.e. applicable for the Financial Year 2022-2023 relevant to the assessment year 2023-24, presently in force in India.

I. Special Income tax benefits available to the Company

The Company has obtained a registration from the Department of Scientific and Industrial Research ("DSIR") on November 24, 2020 for its Research and Development Unit located at Plot No. B-21/7 SUSML, Road No. 3, Hojiwala Industrial Estate, Sachin, Gujarat from October 29, 2020 to March 31, 2023. On the basis of the said certificate, the capital expenditure incurred in the said Unit (except the cost of land) would be eligible for a write off to the company in the year of incurring the same, subject to compliances as prescribed under the Income Tax Act and related Rules made for the same.

Other than the above, there are no other special income tax benefits available to the Company.

II. Special Income tax benefits available to Shareholders

There are no special tax benefits available to the shareholders for investing in the shares of the Company.

III. Special Indirect Tax benefits available to the Company

The Company has obtained a registration from the DSIR on November 24, 2020 for its Research and Development Unit located at Plot No. B-21/7 SUSML, Road No. 3, Hojiwala Industrial Estate, Sachin, Gujarat. On the basis of the said certificate, the in-house R & D units will be able to avail of GST and customs exemption on purchase of equipments, instruments, spares thereof, consumables, etc. that are used for research and development subject to relevant Government policies in force from time to time and subject to separate applications being made under the relevant regulations.

In addition to above, the company has obtained a registration from the department of customs on Manufacturing and other operations in a warehouse (MOOWR). On the basis of which company is entitled and licensed for storage of imported & indigenous items without payment of duty on importation/domestic procurement for warehousing thereof as a Private Bonded Warehouse under section 58 of the Customs Act, 1962.

Furthermore, the company is taking benefits of REFUND of unutilized Input Tax Credit (ITC) under section 54 of CGST Act, 2017. The company is taking refund of the ITC of IGST on the Exports that it does out of the country and also to SEZ supplies of goods.

Moreover, the company is also taking the benefit of MEIS (Merchandise Exports from India Scheme) under the Customs Act, 1962.

Other than the above, there are no special indirect tax benefits available to the Company.

Note:

1. The above statement of tax benefits sets out the special tax benefits, if any, available specifically to the Company and its shareholders under the current tax laws presently in force in India.

2. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her or its own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

3. This statement does not discuss any tax consequences in the country outside India of an investment in the Shares. The subscribers of the Shares in the country other than India are urged to consult their own professional advisers regarding possible income-tax consequences that apply to them.

4. In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.

Our views expressed in this statement are based on the facts and assumptions as indicated in the statement. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

SECTION VI: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

The information contained in this section is derived from various industry and publicly available resources. The information also includes information available from reports or databases of Frost & Sullivan ("F&S"). Neither the Company, its Directors, the BRLMs nor any other person connected with the Issue have independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry publications are also prepared on information as of specific dates and may no longer be current or reflect current trends. Accordingly, investment decisions should not be based on such information.

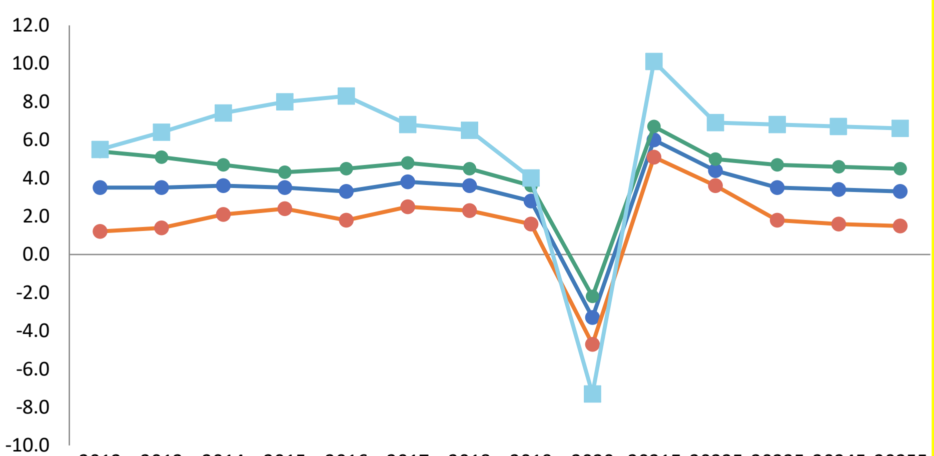
F&S has taken due care and caution in preparing the "Indian Chemicals and Specialty Chemicals Market Report", released in May 2022 (the "F&S Report") based on the information obtained by F&S from sources which it considers reliable ("Data"). However, F&S does not guarantee the accuracy, adequacy or completeness of the Data / F&S Report and is not responsible for any errors or omissions or for the results obtained from the use of the Data / F&S Report. The F&S Report is not a recommendation to invest / disinvest in any entity covered in the Report and no part of the F&S Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. F&S especially states that it has no liability whatsoever to the subscribers / users / transmitters/ distributors of the F&S Report. Without limiting the generality of the foregoing, nothing in the F&S Report is to be construed as F&S providing or intending to provide any services in jurisdictions where F&S does not have the necessary permission and/or registration to carry out its business activities in this regard. The Company will be responsible for ensuring compliances and consequences of non-compliances for use of the F&S Report or part thereof outside India. No part of the F&S Report may be published/reproduced in any form without F&S's prior written approval.

GLOBAL MACROECONOMIC OVERVIEW

Global gross domestic product (GDP) growth

The global economy is going through the most robust post-recession recovery in 80 years in 2021, a year and a half since the onset of the COVID-19 pandemic. Global economic growth is expected to regain its momentum as pandemic control and vaccination is underway. According to the F&S Report, IMF expects the global economy to grow at 6.0% in calendar year 2021 and 4.4% in calendar year 2022, with emerging markets and developing economies growing at 6.7% in 2021 and 5.0% in 2022.

Real GDP Growth (%) 2012- 2025F



	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021E	2022F	2023F	2024F	2025F
World	3.5	3.5	3.6	3.5	3.3	3.8	3.6	2.8	-3.3	6.0	4.4	3.5	3.4	3.3
Advanced Economies	1.2	1.4	2.1	2.4	1.8	2.5	2.3	1.6	-4.7	5.1	3.6	1.8	1.6	1.5
Emerging markets & developing economies	5.4	5.1	4.7	4.3	4.5	4.8	4.5	3.6	-2.2	6.7	5.0	4.7	4.6	4.5
India	5.5	6.4	7.4	8.0	8.3	6.8	6.5	4.0	-7.3	10.1	6.9	6.8	6.7	6.6

Source: World Economic Outlook, International Monetary Fund Estimate, Moody's Outlook, Frost & Sullivan

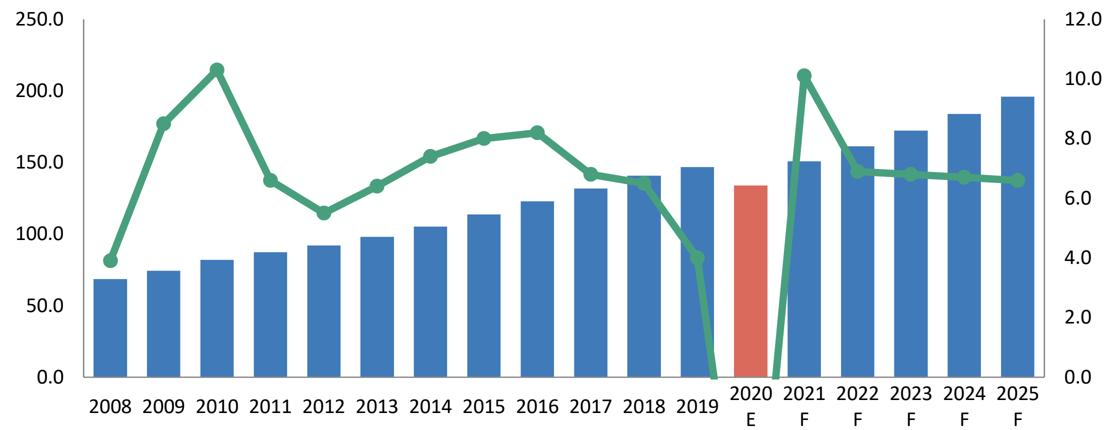
MACROECONOMIC OVERVIEW OF INDIA

Gross domestic product (GDP) growth in India

From calendar years 2012 to 2016, market-friendly policies safeguarded India from the subdued global economy; and improved macroeconomic fundamentals and robust capital inflow strengthened India's economic growth from 5.5% in 2012 to 8.2% in 2016. However, in 2017, real GDP in India declined to 6.8% from 8.2% in 2016 due to the external vulnerabilities such as global slowdown, the impact of demonetization and the transitory effect of goods and services tax (GST) implementation. The economic growth of India slipped further in 2019 as a result of the lingering effect of demonetization and the other political reforms. Growth has remained relatively slow due to the prolonged on-going stress among non-bank financial institutions (NBFIs), obstructing the overall credit provision of the financial system. The already slow Indian economy has been derailed from its growth track in 2020 as a result of a national shutdown imposed in March 2020 to halt the spread of COVID-19. India's real GDP contracted to 7.3% in calendar 2020.

However, the medium-term outlook of India's real GDP is expected to improve and record a growth rate of approximately 6.6% by calendar year 2025, on account of the strong macroeconomic fundamentals including moderate inflation, the implementation of key structural reforms and the improved fiscal and monetary policies.

Real GDP Value, at constant price (₹ 000'Bn) and Growth %, India, 2008 to 2025F



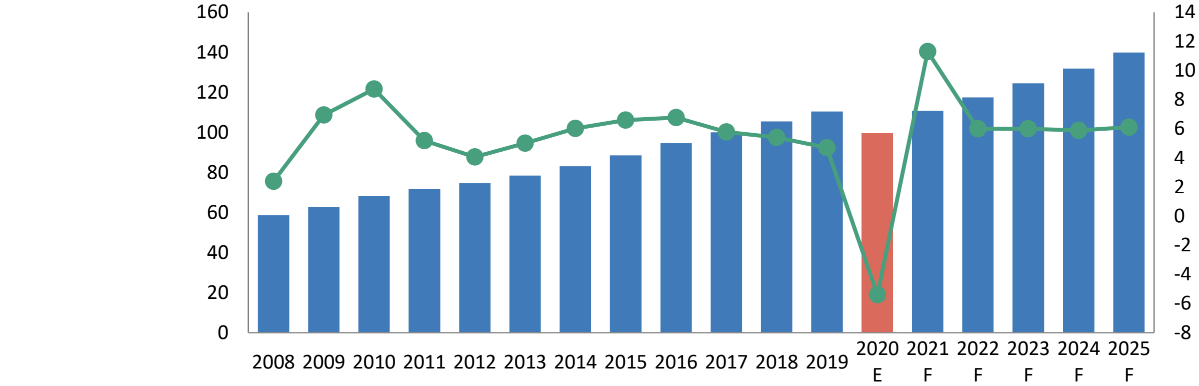
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 E	2021 F	2022 F	2023 F	2024 F	2025 F
GDP	68.5	74.3	81.9	87.4	92.1	98.0	105.3	113.7	123.0	131.8	140.8	146.8	134.1	150.9	161.4	172.4	183.9	196.1
GDP Growth (%)	3.9	8.5	10.3	6.6	5.5	6.4	7.4	8.0	8.2	6.8	6.5	4.0	-8.9	10.1	6.9	6.8	6.7	6.6

Source: Moody's Outlook, Moody's press release 2020, International Monetary Fund Estimate, Dun and Bradstreet, Frost & Sullivan

GDP per capita in India

According to the F&S Report, the GDP per capita at constant prices in India in 2020 witnessed its lowest growth rate since 1990 at -8.87%.However, with the economy getting back on track slowly, the GDP per capita growth is expected to increase to approximately 6.1% in 2025.

GDP per Capita Value, at constant price (₹'000) and Growth %, India, 2008 to 2025F



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 E	2021 F	2022 F	2023 F	2024 F	2025 F
GDP per capita	58.7	62.8	68.2	71.8	74.7	78.4	83.1	88.6	94.6	100.1	105.5	110.5	99.6	110.8	117.5	124.5	131.9	139.9
GDP per capita Growth (%)	2.4	6.9	8.7	5.2	4.1	5.0	6.0	6.6	6.8	5.8	5.4	4.7	-5.4	11.3	6.0	6.0	5.9	6.1

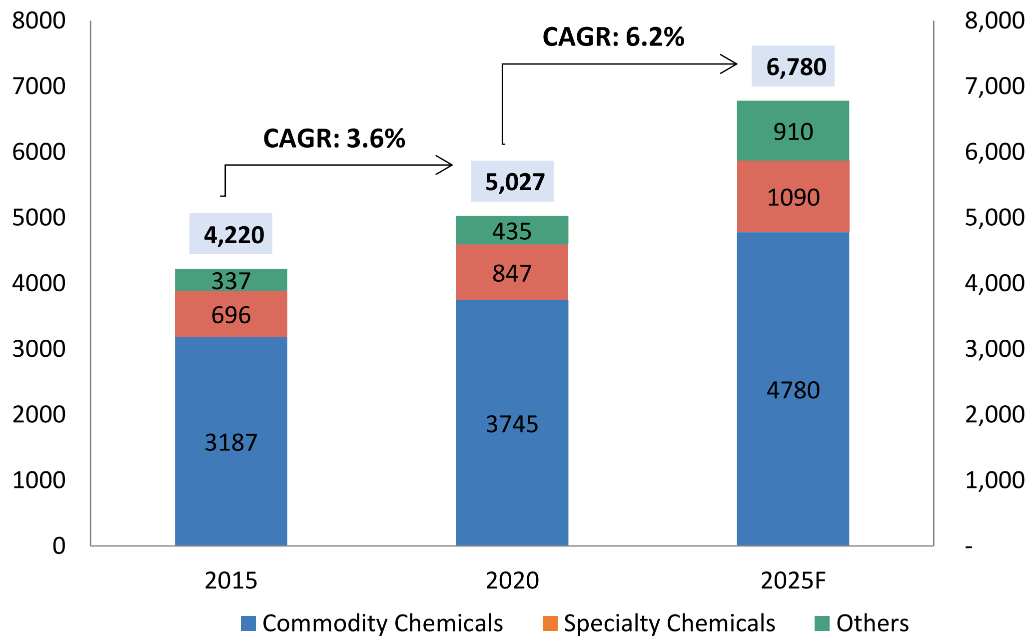
Source: World Economic Outlook, International Monetary Fund Estimates-April 2021, Frost & Sullivan; Outlook for 2021 and onwards is based on IMF data published in April 2020. Covid-19 impact not registered in the outlook 2021 onwards

OVERVIEW OF THE GLOBAL CHEMICALS INDUSTRY

Value of the global chemical industry

In calendar year 2020, the global chemicals market was valued at approximately US$5,027 billion, with China accounting for a substantial market share (39%), followed by the European Union (15%) and the United States (13%). In calendar year 2020, India accounted for an approximately 4% market share in the global chemicals market. According to the F&S Report, the global chemicals market is expected to grow at a CAGR of 6.2% CAGR from US$5,027 billion in calendar year 2020 to reach US$6,780 billion by calendar year 2025. According to the F&S Report, from calendar years 2020 to 2025, the Asia Pacific (APAC) chemicals market is expected to grow at the fastest rate of 7-8%, while the chemicals markets in Western Europe, North America, and Japan are expected to grow at a slower rate of 3-4% since they are relatively mature.

Global chemicals market, 2015, 2020 and 2025F (US$4,220 billion, US$5,027 billion and US$6,780 billion)



Source: F&S Report; Frost & Sullivan Primary Research & Analysis
Note: Others mainly include Biotech chemicals. Also note that the Indian chemical industry generally showcases Agrochemicals & Fertilizers and Pharmaceuticals API outside of Specialty chemicals and Petrochemicals outside of Commodity Chemicals. In the

above graph the specialty chemicals section, however, is inclusive of the 2 categories (Agrochemical and Fertilizers and Pharmaceuticals API) and the Commodity Chemicals section is inclusive of Bulk chemicals and Petrochemicals.

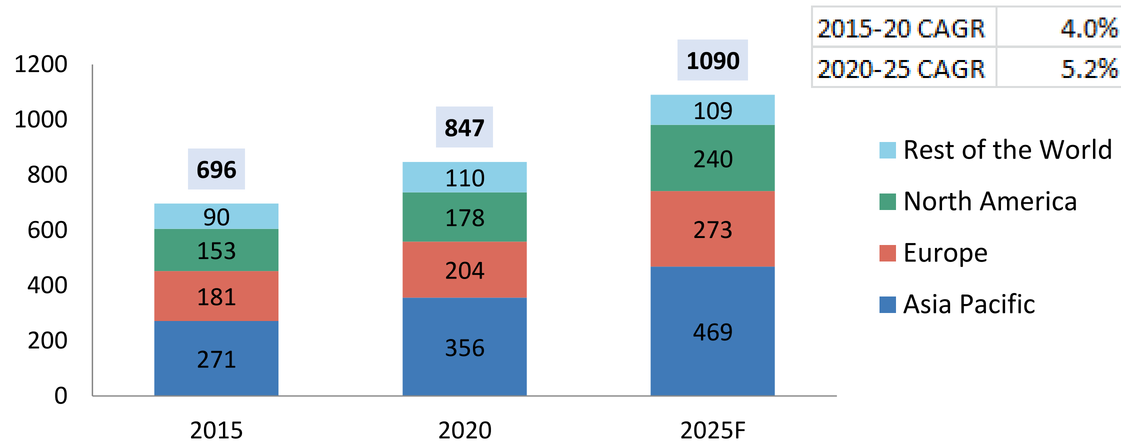
Global specialty chemicals market

Value of the global specialty chemicals market

Specialty chemicals are low-volume and high-value products which are sold on the basis of their quality or utility. Thus, they may be used primarily as additives or to provide a specific attribute to the end products. The focus is on value addition to the end products and the properties or technical specifications of the specialty chemicals.

Rapid industrialisation in India and China is expected to drive demand for specialty chemicals. Asia Pacific (APAC) dominated the global specialty chemicals market in calendar year 2020 with a 42% market share, owing to its huge customer base, increasing industrial production and robust growth of the construction sector in the region. APAC is followed by Europe and North America, with a 24.1% and 21.0% market share in calendar year 2020, respectively.

Global Specialty Chemicals Market by Geography, 2015, 2020, 2025F Value (US$696 billion, US$847 billion and US$1,090 billion)

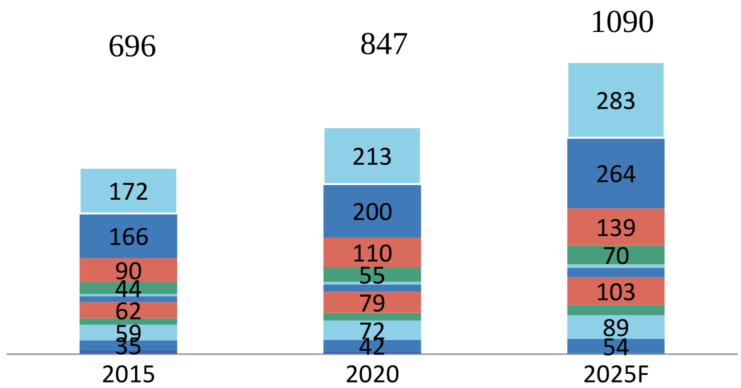


Source: F&S Report; Frost & Sullivan Primary Research & Analysis

Global specialty chemicals market by segments

Specialty chemicals industry can be categorised into a mix of end-use driven segments and application-driven segments. The various segments across specialty chemicals industry differ in competitive intensity, margin profiles, defensibility against raw material cost movements and growth.

Value of global specialty chemicals marke in 2015, 2020 and 2025F (US$ billion)



	2015	2020	2025F
Pharmaceuticals API	172	213	283
Agrochemicals & Fertilisers	166	200	264
Construction chemicals	90	110	139
Water Treatment chemicals	44	55	70
Textile chemicals	9	10	13
Personal Care Ingredients	21	27	36
Home Care Ingredients	62	79	103
Paints & coating Additives	24	29	38
Dyes & pigments	59	72	89
Flavours & fragrances Ingredients	35	42	54
Others	16	11	3

Others include Sealants and Adhesives, Polymer Additives etc.
Source: F&S Report

CAGR	Agrochemicals & fertilizers	Pharmaceutical API	Dyes and Pigments	Paints & Coatings Additives	Home Care Ingredients	Personal Care Ingredients	Textile Chemicals	Water Treatment Chemicals	Construction/ Infratech Chemicals	Flavours & Fragrances Ingredients	Total
2015-20	5.4%	4.4%	4.1%	4.2%	5.0%	4.9%	2.5%	4.3%	4.1%	3.9%	4.0%
2020-25F	5.7%	5.8%	4.3%	5.0%	5.4%	6.2%	3.8%	5.0%	4.8%	5.2%	5.2%

Source: F&S Report; Frost & Sullivan Primary Research & Analysis

According to the F&S Report, in calendar year 2020, the global specialty chemicals industry was valued at US$847 billion. Pharmaceutical API and agrochemicals & fertilizers made up the largest two segments of the industry, accounting for approximately 25% and 24% of the global specialty chemicals industry in calendar year 2020.

In APAC, with a high population base and majority of countries being underdeveloped or developing nations, there is high rate of construction activities resulting in higher demand for construction chemicals and paints & coatings additives. Embracing modern practices in the fields, agrochemicals segment has seen tremendous growth particularly in respect of pesticides and fertilizer consumption. The consumption of pesticides in APAC recorded the fastest growth rate on a global basis and reached a projected volume of approximately 797.5 kilo tons (KT) in 2020. According to the F&S Report, in 2020, China, India and Japan represent the largest agrochemicals markets in the Asian continent. In 2020, China is leading the agrochemicals market with its developing agricultural sector along with the need for its growing population. Globally, China is not only the largest producer but also the largest consumer of fertilizers.

Key industry trends in the next five years

Green chemicals

With an increasing awareness of the ill-effects of certain chemicals on humans and the environment, there is a growing trend in the chemicals industry to shift towards what is known as “green” chemicals or more accurately sustainable chemistry. Green chemicals are products which are bio-degradable and provide higher performance and functionality while being more environmentally benign throughout its entire life-cycle, including its design, manufacture, use, and ultimate disposal.

The demand for green chemicals is particularly high from the textile industry which is one of the major end-users of chemicals. The evolution of green chemistry in the chemical industry will be a critical trend fuelling the growth of the green chemicals market. According to the F&S Report, the value of the global green chemicals market is expected to grow at a CAGR of 10.5% from US$27 billion in 2020 to reach approximately US$40 to 50 billion by 2025.

Shift of manufacturing activities from China to India

As a result of the COVID-19 pandemic, many global companies are considering reducing the dependence of their manufacturing activities on China. Many companies are no longer considering China as their first preferred location for setting up factories. Taking advantage of this situation, the Indian Government has taken policy initiatives to attract companies looking to shift their manufacturing base to India in the post COVID-19 scenario. Global manufacturers have initiated talks with Indian firms to explore the possibility of shifting a part of their supply chains from China to India as they seek to diversify their operations geographically.

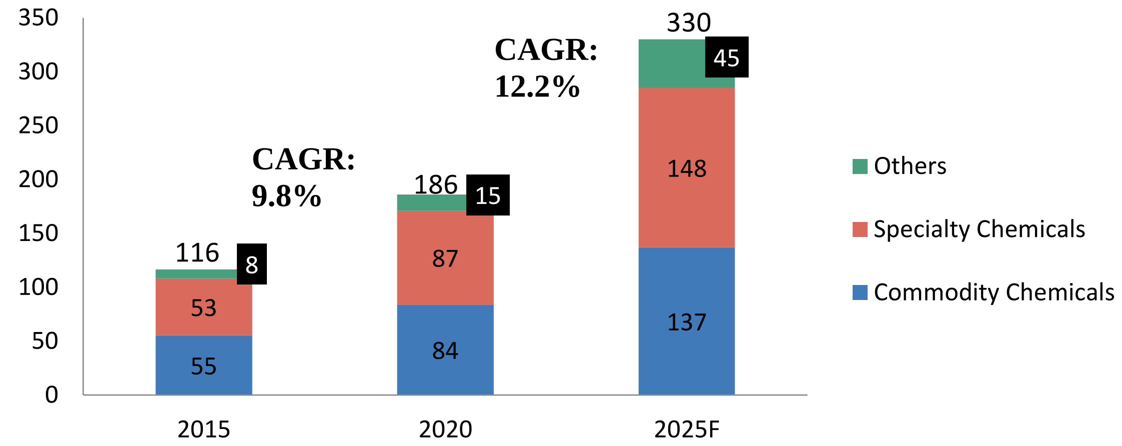
The tightening of environmental protection norms in China since January 2015 has resulted in an increase in operating costs, closures and relocations of certain manufacturing facilities. With rising labour costs and the recent trade tension between China and the United States, Chinese exports have reduced in recent years. All of these factors resulted in a shift of key raw materials purchases by global companies from China to India. In addition, Indian companies, which have been heavily reliant on sourcing from China, are now starting to adopt local sourcing. In summary, the increase of local sourcing by Indian companies and the shift of manufacturing activities by global companies from China to India are expected to boost the manufacturing sector in India, including the chemicals manufacturing segment.

OVERVIEW OF THE CHEMICALS INDUSTRY IN INDIA

Value of the Indian chemicals industry

According to the F&S Report, in calendar year 2020, the Indian chemicals industry was valued at US$186 billion, representing approximately 4% of the value of the global chemicals industry. According to the F&S Report, the value of the Indian chemicals industry is expected to grow at a CAGR of 12.2% from US$186 billion in 2020 to US$330 billion in 2025. According to the F&S Report, in fiscal 2020, the Indian chemical industry contributed approximately 6.6% of the national gross domestic product and accounted for 15-17% of value of the India’s manufacturing sector.

Indian Chemicals Market, 2015, 2020 and 2025F (US$ billion)

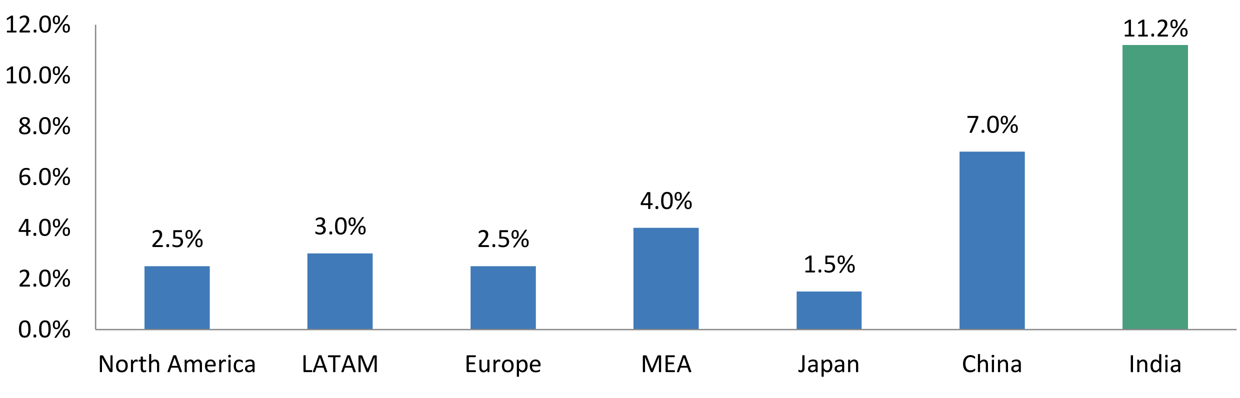


Source: F&S Report; Frost & Sullivan Primary Research & Analysis
Note: Indian chemical industry generally showcases Agrochemicals & Fertilizers and Pharmaceuticals API outside of Specialty chemicals. In the above graph the specialty chemicals section, however, is inclusive of the 2 categories to maintain consistency with the Global section. Agrochemical & Fertilizer and Pharmaceuticals API contribute to more than 55% of the specialty chemical space in India.

The value of the commodity chemicals segment and the specialty chemicals segment accounted for approximately 46% and 47% of the Indian chemicals industry, respectively. The growth rate of the Indian specialty chemicals segment in 2015-2020 was higher than the growth rate of the Indian commodity chemicals (10.4% vs. 8.7%). From 2020 to 2015, the Indian specialty chemicals segment is expected to grow at a CAGR of 11.2%.

	Commodity Chemicals	**Specialty Chemicals**
2015-20	**8.7%**	**10.4%**
2020-25F	**10.3%**	**11.2%**

Region-wise Specialty Chemicals Growth, 2020-25, %

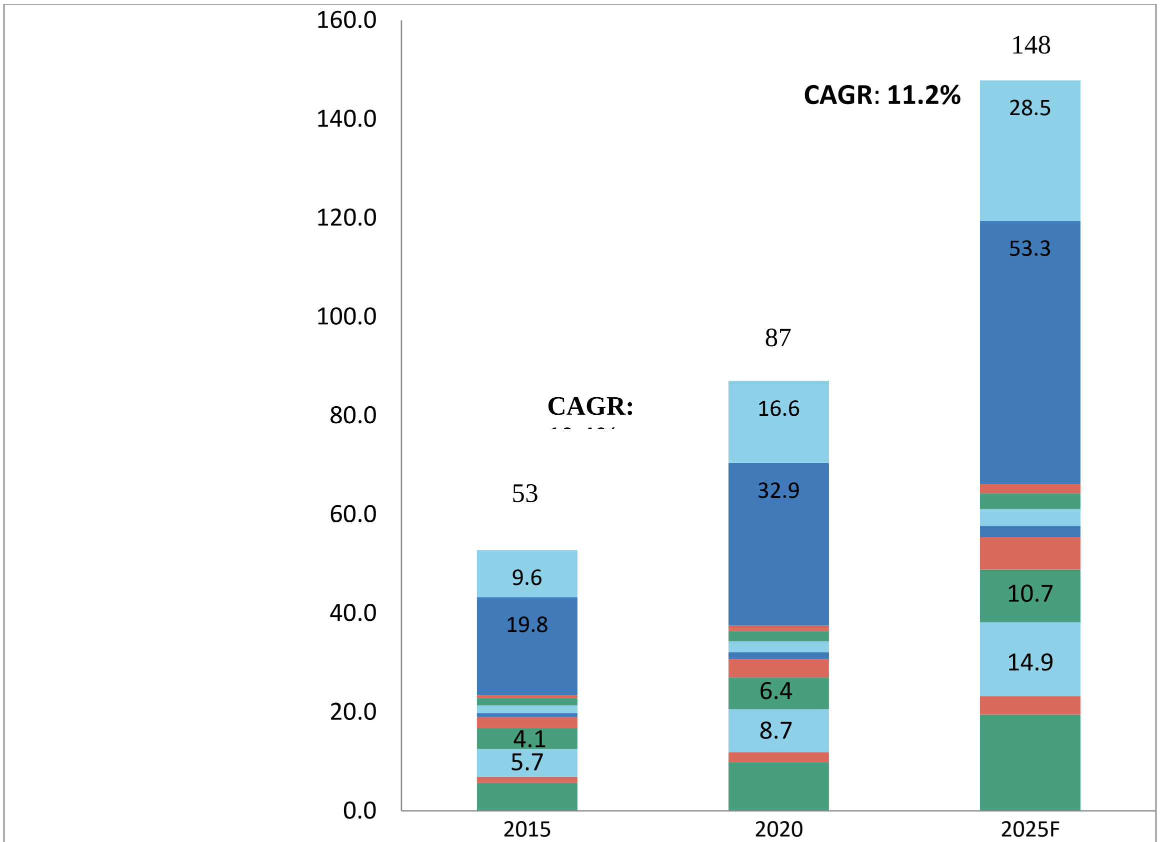


Source: F&S Report; Frost & Sullivan Primary Research & Analysis

Indian specialty chemicals market by segments

Similar to the global specialty chemicals industry, the Indian specialty chemicals industry can be categorised into a mix of end-use driven segments and application-driven segments.

Value of Indian Specialty Chemicals Market, Value (US$ billion), 2015, 2020 and 2025F



	2015	2020	2025F
Pharmaceutical API	9.6	16.6	28.5
Agrochemicals & Fertilizers	19.8	32.9	53.3
Construction/Infratech Chemicals	0.7	1.2	1.9
Water Treatment Chemicals	1.4	2.1	3.1
Textile Chemicals	1.5	2.2	3.5
Personal Care Ingredients	0.8	1.3	2.2
Home Care Ingredients	2.3	3.8	6.5
Paints & Coatings Additives	4.1	6.4	10.7
Dyes and Pigments	5.7	8.7	14.9
Flavours & Fragrances Ingredients	1.2	2.0	3.7
Others	5.7	9.9	19.5

"Others" includes Sealants and Adhesives, Polymer Additives etc.
Note: Indian chemical industry generally showcases Agrochemicals & Fertilizers and Pharmaceuticals API outside of Specialty chemicals. In the above graph the specialty chemicals section, however, is inclusive of the 2 categories to maintain consistency with the Global section. Agrochemical & Fertilizer and Pharmaceuticals API contribute to more than 55% of the specialty chemical space in India.
Source: F&S Report; Frost & Sullivan Primary Research and Analysis
Inclusions:

- *Agrochemicals and Fertilizers: Agrochemicals include organic fertilizers, liming and acidifying agents (which are designed to change the pH), soil conditioners, insecticides and pesticides, fungicides, herbicides, and other chemicals like crop-growth regulators. Fertilizers are mainly inorganic compounds of nitrogen like urea or ammonium nitrate, compounds of phosphorous and potassium.*
- *Dyes and Pigments: These are inclusive of Reactive Dyes, Disperse Dyes, Acid Direct Dyes, Azo Dyes, Sulphur Dyes, Solvent Dyes, Vat Dyes, Food Colorants, Organic Pigments, Optical Whitening agents, Inorganic Pigments, Pigment emulsions among others*
- *Construction/Infratech Chemicals: These are inclusive of concrete admixtures (plasticizers, accelerators, retarders, air entertainers), waterproofing (bitumen, PVC, silicon, SBR and others), protective coatings (epoxy, PUR, PE, alkyl, acrylic and others), concrete repair mortar (cement based and plaster based), plasters, base coats among others*

- *Paints and Coatings Additives: These are made up of insulating paint additives, powder coating additives, catalysts, wetting agents, levelers, clarifier, coupling agents, deflocculants, thinners, thickeners, anti-caking agents and other chemicals.*
- *Water Treatment Chemicals: These are made up of PH neutralizers, algaecides, antifoams (including insoluble oils, silicones, alcohols, stearates and glycols), biocides, boiler water chemicals, coagulants and flocculants, corrosion inhibitors, disinfectants, defoamers among others.*
- *Textile Chemicals: These are inclusive of coating & sizing agents, colorants & auxiliaries, finishing agents, surfactants, de-sizing agents, bleaching agents, leather chemicals among others.*
- *Flavors and Fragrances: Essential Oils (orange, corn mint, eucalyptus, pepper mint, lemon), Oleoresins (paprika, black pepper, turmeric, ginger, others), Aroma chemicals (esters, alcohol, aldehyde, phenol, others), others.*
- *Home & Personal Care Ingredients: These are inclusive of formaldehyde, glycerols, titanium dioxide, isopropyls, alcohols, dimethicone, sodium lauryl sulphate, parabens, tocopherols benzones, oleochemicals, surfactants, polymers, botanical extracts among others.*

High barriers to entry in the Indian Specialty chemicals industry

There are high barriers to entry in the Indian chemicals industry, primarily due to the following factors:-.

a) **Involvement of complex chemistries in the manufacturing of products:** The production process of specialty chemicals is complex and requires high level of technical knowledge and R&D capabilities. Companies need to invest substantially in facilities (such as research and development centres) as well as technical knowledge and training, creating barrier to entry for new entrants.

b) **Rigorous product approval standard:** Specialty chemicals products are subject to very sensitive and rigorous product approval systems with stringent impurity specifications. Intermediates that are used for API drugs are subject to an even more stringent quality and manufacturing process requirements. Typically, approval of any such product takes a few years. The costs and time involved create high barriers to entry to new entrants in the industry.

c) **Long-term relationship between suppliers and customers:** Suppliers of specialty chemicals usually enjoy long-term relationship with customers. This is partially due to the high costs involved in switching to new suppliers. Customers typically select suppliers after carefully reviewing them and tend to develop long-term relationships with them as well as limit the number of such suppliers.

d) Other factors contributing to the high barriers to entry for specialty chemicals companies, API and drug intermediates manufacturers include stringent quality requirement (specifically those for human consumption), lengthy and costly registration process, high level of product customization, differentiated business models, among others.

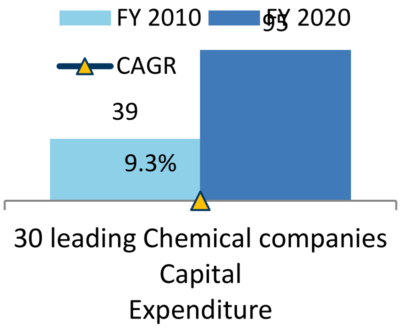
Key trends in the Indian chemicals industry

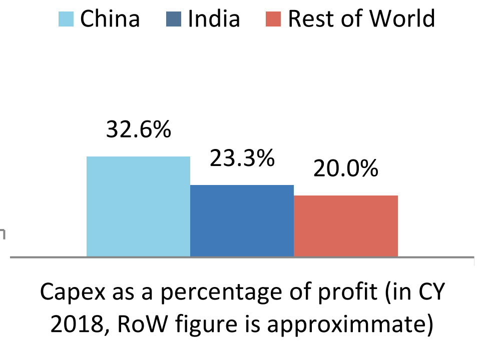
Increase in capital expenditure by Indian chemicals companies

Traditionally, low-cost labour and readily available raw material provided an edge to the Indian manufacturing companies. Increasingly, though, specialty chemicals companies are focusing beyond these traditional cost advantages. Product development capabilities have become progressively more important and are the key differentiator among various companies in the industry.

The Indian chemicals industry has increased its capital expenditure over the past decade in order to be well equipped to capture future opportunities. According to the F&S Report, ₹95 billion was spent in fiscal 2020 by the 30 leading chemical companies in India on capital expenditure, as compared to ₹39 billion in fiscal 2010. In calendar year 2018, India's chemicals sector attributed 23.3% of its profit after tax to capital expenditure, whereas China's chemicals sector attributed 32.6 %. All other countries in the world attributed less than one-fifth of its profit after tax to capital expenditure in calendar year 2018. Capital expenditures are spent for capacity augmentation and/or product development by these leading chemicals companies.

Capital expenditure (₹ billion)





Source: F&S Report

Increase in R&D by specialty chemicals companies

Aggregate research and development (R&D) expenditure incurred by the 30 key leading global chemical companies has grown at a CAGR of 16% over fiscal 2010 to fiscal 2019, while their revenue has grown at a CAGR of 11% over the same period. In terms of absolute amount, ₹4.5 billion was spent by these companies on R&D in fiscal 2019, as compared to ₹1.1 billion in fiscal 2010. R&D expense as a percentage of revenue has remained stable in the range of 0.4-0.5% for these companies from fiscal 2015 to fiscal 2019. India's share in the aggregate R&D spending incurred over the globe by chemical companies has grown from 2.7% in calendar year 2008 to 3.3% in calendar year 2018.

Increase in R&D by Indian pharmaceutical companies

The Indian pharmaceutical industry, world's third largest in terms of volume and thirteen largest in terms of value, is also spending on R&D to keep up with the momentum. According to the F&S Report, on average, the Indian pharmaceutical companies tend to spend less than 11% of their annual turnover on R&D. Indian companies recognize the need of R&D spend and shall ramp up their expenditure on development and research to propel their growth and have strong positioning in market. Frost & Sullivan expects that more new product lines will be developed by Indian pharmaceutical companies with their increased R&D spend. In order to support these new product lines, the demand for purchase of raw materials and intermediates by these companies is expected to increase, providing a boost to the specialty chemicals industry.

The rise of green chemicals

The concept of green chemicals in India is evolving. The rising pollution and harm caused to water bodies owing to emission of harmful chemical effluents into water is leading to rise in concern of sustainability. The companies in India are still in the process of incorporating this new concept from raw materials to manufacturing activities. Major challenge to the adoption of these environmental friendly chemicals by service providers and consumers is the high initial cost of such products. However, even though green chemicals cost more at the initial stage, their usage over a period of time has shown a reduction in price by approximately 18-20%.

Indian Government bodies such as the Department of Science and Technology, the Ministry of Chemicals and Fertilizers, and the Department of Pharmaceuticals, are beginning to establish various green chemistry initiatives and in some cases to partner with SMEs to partially fund investments in green technology. Generic drug pharma and active pharmaceutical ingredients (API) manufacturers in India exhibit significant interest and some advances in using GC principles. At the same time, majority (65%) of Indian companies rely on treatment and disposal of wastewater instead of source reduction and one in five (20%) does not use any GC metrics. According to the F&S Report, generic drug pharma is more advanced in adopting GC principles than API manufacturers. Regulatory risk and time pressures to deliver drugs were reported as the two most significant barriers for greater adoption of GC in India, while cost savings and environmental regulations were cited as the top two drivers.

Make in India initiative

On May 12, 2020, the Government announced the *Aatmanirbhar Bharat Abhiyan* which combined relief, policy reforms and fiscal and monetary measures to help businesses and individuals to cope with the situation created by the pandemic and help transform India into a self-reliant economy. This campaign is especially expected to benefit the specialty chemicals sector, with several players hoping to position themselves as an alternative to China as the coronavirus crisis prompts companies to diversify their supply chains.

In particular, the Government announced a production linked incentive (PLI) scheme for the promotion and manufacturing of pharmaceutical raw materials in India. The government's move is aimed to boost domestic manufacturing and cut dependence on imports of critical Active Pharmaceutical Ingredients (APIs). Further, the government has also decided to develop three mega bulk drug parks in partnership with states. These schemes will likely appeal more to the smaller players and should foster more investments. The Government is also in the process of launching a production-linked incentive (PLI) for the chemical sector to increase self-reliance in the country. This move is to reduce country's dependency on imports of basic chemicals. The PLI scheme will help the sector to identify import-dependent chemicals and work towards producing them within the country.

Specialty chemical companies will look at import substitution along with export opportunities to further drive their business.

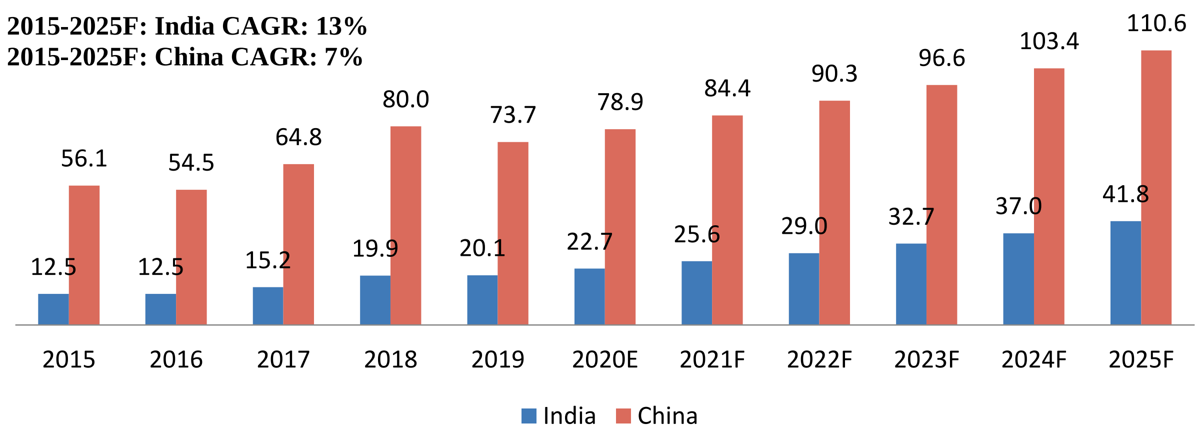
India's exports and imports of chemicals

Chemicals exports trend – India and China

China's specialty chemicals market has seen a downturn in recent years due to various factors. Most prominent amongst these are the recent environmental norms introduced by the Chinese government in 2015, which have led to shutdown of a number of chemical plants. According to the F&S Report, in 2017, an estimated 40% of the chemical manufacturing capacity in China was temporarily shut down for safety inspections, with over 80,000 manufacturing units charged and fined for breaching emission limits. As a result of stringent environmental norms, the Chinese chemical companies are witnessing a rise in capital expenditure and operational costs, making them less competitive in the export market.

Several global players prefer a "China + 1 offshore strategy", with manufacturing capacities shifting to cost efficient markets with strong technology capabilities like India. Stringent environmental regulations and increased cost of labor have already stifled growth in China. The pandemic has compounded the situation further as companies across the world are looking for alternate supply solutions. Japan's announcement to offer incentives to companies shifting base from China to India further proves the strong desires for certain countries to reduce dependence on China and develop local supply chains. Joint ventures or technology transfers will drive the knowledge wave for the Indian industry, given stronger IP protection rights. The spill over impact of China's declining competitiveness has set the stage for India to intensify its effort to capture larger market share.

Chemicals Exports Trend – India vs China (Calendar year 2015 – 19 Actuals, Calendar year 2020 – 25 Forecast), US$ billion



Source: World Bank, F&S Report
Note: The forecasted data is not published by World Bank; it has been calculated considering the same CAGRs for both the countries. The actual CAGR for India and China respectively for the period 2015-2019 stood at around 13% and 7%; as World Bank does not forecast the export trends, the same CAGR (13% for India and 7% for China) has been considered for the forecast period 2020-2025.

India's exports of specialty chemicals

Indian specialty chemicals industry has been growing over the years. In the past decade, there has been appreciable growth in the revenues and profits of the speciality chemical companies, both in domestic as well as exports segment.

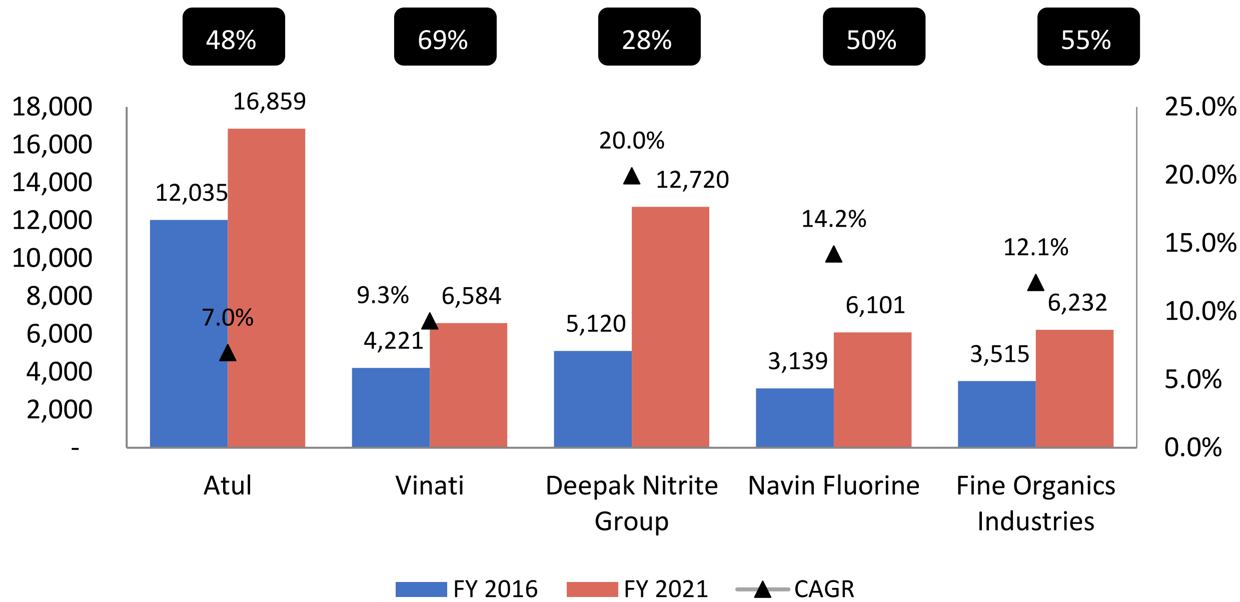
China has imposed stringent environmental regulations in recent years. Coupled with the trade tension between the United States and China and the COVID-19 pandemic, purchasers of chemicals are considering to diversify their supply chains. Such factors are prompting purchasing managers in the United States, Europe, and Japan to give India another look as a source of raw materials for their chemical products. An important factor in favour of Indian companies is their growing competitiveness vis-à-vis producers from other countries.

India has some inherent growth drivers including a huge local demand base, significant exports with room to expand, and significant imports with scope for domestic substitution.

Moreover, India's federal government has positioned itself as ready to support the shift from China to India in a range of industries. It has launched PLI scheme to push for indigenous manufacturing of pharmaceutical raw materials and active ingredients. Following these reforms and Indian company's proactiveness the growth in exports in expected to increase gradually.

The following chart sets forth the revenue generated by exports of specialty chemicals by key specialty companies in India in fiscal 2016 and fiscal 2021:

Export by Indian Speciality Chemicals (in ₹ Millions) export share in FY21 included in rectangle

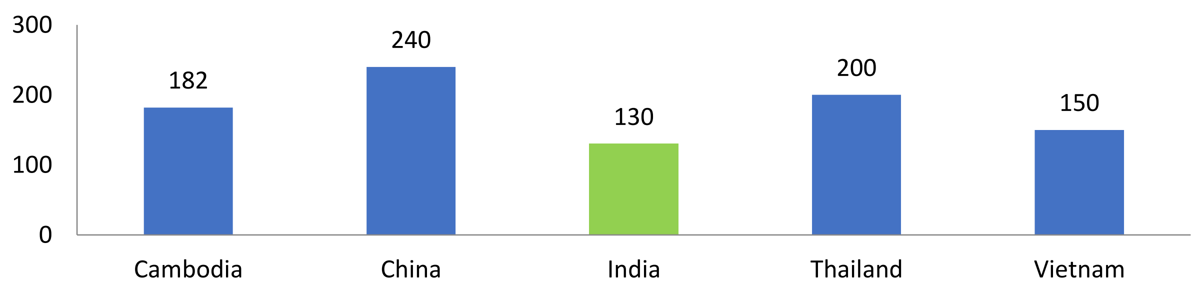


Source: F&S Report

Low Cost and Availability of Skilled Labour in India to support Specialty chemical exports

Labour represents one of the main costs of manufacturing goods. According to the F&S Report, importers have watched China's labour costs soar in recent decades, often growing by 10-15% annually. China's minimum wages, which ranged from approximately US$140 to US$346 in calendar year 2019, are set at the provincial level. India's minimum wages similarly vary across states and range from approximately US$66 to US$202 in calendar year 2019. Rising labour costs coupled with imposition of tariffs by the United States on Chinse goods in recent years, India's case as a cost-effective manufacturing alternative is strengthened. Frost & Sullivan expects that importers of labour-intensive products, such as specialty chemicals, are in the best position to realize cost savings by moving to India.

Average Monthly Minimum Wage (US$), 2019



Source: ASEAN Briefings; F&S Report

OVERVIEW OF THE GLOBAL AND INDIAN CRAMS INDUSTRY

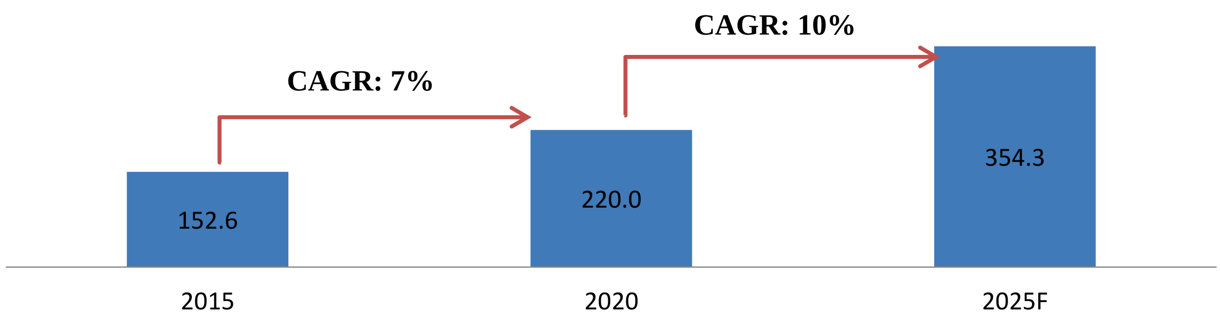
Overview of the global CRAMS industry

Contract Research and Manufacturing Services (CRAMS) refers to outsourcing services or products to low-cost providers like India and China which maintains quality, world class standards and meets international regulatory norms like the USFDA, Australian-TGA, UKMCA, and EMEA. Pharmaceutical Industries have been traditionally outsourcing APIs (Active Pharmaceutical Ingredients), intermediates and Formulations (Finished Dosage Forms).

Value of the global CRAMS industry

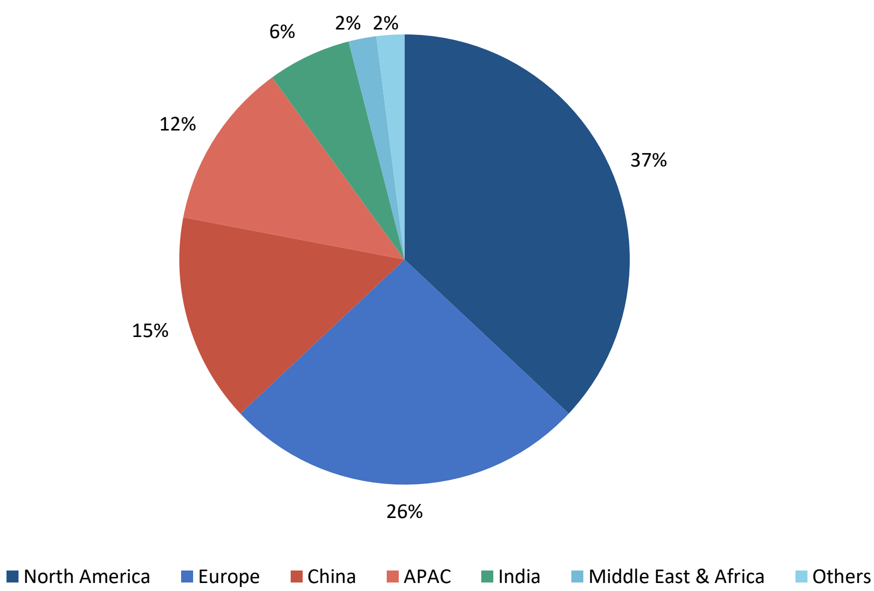
According to the F&S Report, the global market for Contract Research and Manufacturing Services (CRAMS) was valued at US$220 billion in calendar year 2020; for global specialty chemicals contract manufacturing. CRAMS is used for contract synthesis of agrochemical technical grades or active ingredients, intermediates and specialty chemical products along with other fine chemicals like active pharmaceutical ingredients, etc. According to the F&S Report, global CRAMS market had grown at a CAGR of 7% from calendar year 2015 to calendar year 2020. According to the F&S Report, this market is anticipated to grow at a CAGR of 10% from calendar year 2020 to calendar year 2025.

Global CRAMS market (in US$ billion)



Source: Frost & Sullivan Research & Analysis

Global CRAMS market, 2020, by Region, US$220 billion



Source: Frost & Sullivan Research & Analysis

According to the F&S Report, in calendar year 2020, the India market accounted for almost approximately 5% of the global CRAMS market, which totalled US$10.1 billion. In calendar year 2020, the Chinese market and the Japanese market for CRAMS accounted for approximately 15% and 8-9% of global market (by value terms), respectively. North America and the European Union countries accounted for more than 60% market share in the global CRAMS/CSM segment in 2020.

Developing countries such as India, China, Mexico, and Brazil are witnessing significant improvements in their healthcare infrastructure and technological innovations in their drug development processes. As a result, several pharmaceutical companies from developed countries are outsourcing the research and manufacturing operations to the vendors in such countries. The availability of labour at a comparatively lower price is one of the critical reasons for the growing popularity of outsourcing these processes. Moreover, the rising number of US FDA-approved manufacturing plants in developing countries also encourages outsourcing. These factors will augment the growth of the pharmaceutical CRAM market during the forecast period.

Global CRAMS market players

According to the F&S Report, three quarter of global contract research and manufacturing services market is concentrated in North America, Europe and China. Major CRAMS players involved in the fine chemicals business are – Quintiles, Covance, Catalent, Paraxel, Lonza, Charles River Lab, Patheon and others.

The Indian CRAMS industry

India is amongst the preferred destinations for outsourcing of research as well as manufacturing activities. New age CRAMS providers are able to cater to not just the pharmaceutical clients, but also biotech, agrochemicals, nutrition, animal health, consumer goods and others. This has opened up wider growth opportunities for the sector. With the right scale, capacities, systems and infrastructure, integrated service providers are well placed to capture a larger share of the innovator manufacturing opportunities. Indian CRAMS companies hold a competitive edge across the global pharmaceutical industry in being the most preferred partners for drug development and manufacturing. Owing to a wide-ranging product mix consisting of high-end research services, biologics, and complex technology services, all offered at a low cost, CRAMS industry has witnessed tremendous growth in the Indian subcontinent.

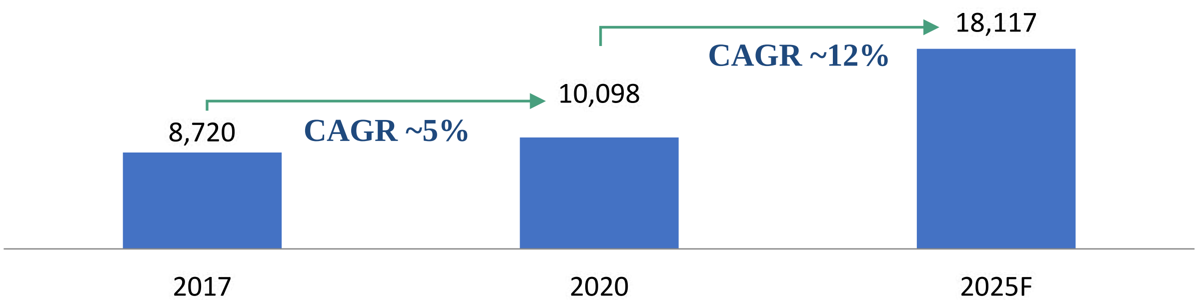
The country has a big pool of qualified scientists available at lower cost, which makes the contract research organization (CRO) a reality in India. The average annual costs of employing a scientist in India is as low as US$30,000, as compared to US$180,000 in the United States. It is, therefore, feasible for Indian companies to employ scientists at an economical rate to get the process done at a quite reasonable expenditure.

India, therefore, presents a strong case for outsourcing research and manufacturing activities by global companies. Whilst contract manufacturing is expected to garner a larger share of revenues in the Indian CRAM market in the range of over 50-60%, the country is also witnessing a simultaneous contribution from the contract research services capturing rest of the CRAMS services.

Value of the Indian CRAMS industry

India is a frontrunner in the number of FDA-approved manufacturing sites outside the United States and a leader in the bulk drug manufacturing market dominated by generics and biosimilars. As a result, according to the F&S Report, the Indian CRAMS market is expected to grow at a CAGR of approximately 12% from US$10.1 billion in calendar year 2020 to US$18.1 billion in calendar year 2025.

India CRAMS market (US$ million)



Source: F&S Report; Frost & Sullivan Primary Research & Analysis

According to the F&S Report, the Indian CRAMS market share of the global CRAM market is expected to grow over the years with India having a market share of more than 5% of the global CRAMS market by 2025.

India CRAMS market positioning in Global Market

	Global Market	India Market	India as a % of Global
2020	USD 220.0 Bn	USD 10.1 Bn	4.6%
2025F	USD 354.3 Bn	USD 18.1 Bn	5.1%

Growth drivers of the Indian CRAMS industry

Frost & Sullivan expects the growth of the Indian CRAMS industry to be driven by the following major factors:

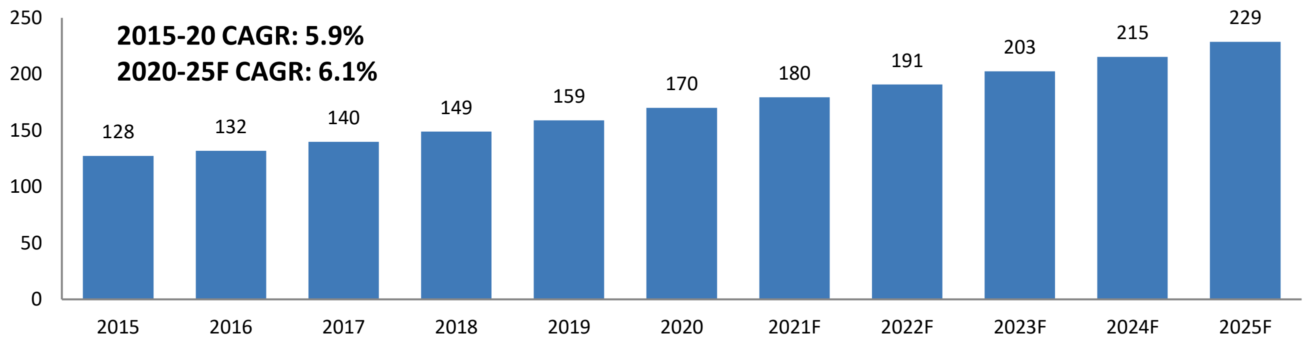
- **Lower set up costs:** With a lower capital expenditure in the range of 25-50% for setting a facility, India is a big attraction for global pharmaceutical companies to collaborate with local CRAMS players.
- **Abundant and widespread talent pool:** Abundant pool of professionals in the area of drug development and research chemistry, owing to an enormous base of pharmacists and chemistry post-graduates, is an added attraction.
- **Quantum of USFDA approved manufacturing sites**: The availability of a total of over 300 USFDA approved manufacturing sites will be able to support the growth of the Indian CRAM industry.
- **Intellectual property treaties:** Indian government is doing its part to help CRAMS development by signing intellectual property treaties. In June 2019, India accepted the three important classification treaties of the World Intellectual Property Organization that are designed to ease the search for trademarks and industrial designs, thereby helping brand owners and designers in their efforts to obtain protection for their own work.
- **Patent Drug Expiry**: According to the F&S Report, it is estimated that approximately US$252 billion worth of drug sales are likely to get off patent from calendar year 2020 to 2026. Some of the Indian companies are now well placed to capture this opportunity. With on-going developments, India has started focusing on self-reliance at a large-scale. This presents a large opportunity for Indian generic companies.

OVERVIEW OF THE GLOBAL PHARMACEUTICAL API INTERMEDIATES

Value of global API industry

According to the F&S Report, Active Pharmaceutical Ingredients (APIs) are substances or a mixture of substances intended to be used in the manufacture of a drug (medicinal) product and that, when used in the production of a drug, becomes an active ingredient of the drug or product. According to the F&S Report, the value of the global API market grew at a CAGR of 5.9% from US$128 billion in 2015 to US$170 billion in 2020, and is expected to grow at a CAGR of 6.1% from US$170 billion in 2020 to US$229 billion in 2025.

Global API, Industry size (US$ billion), 2015-2025F



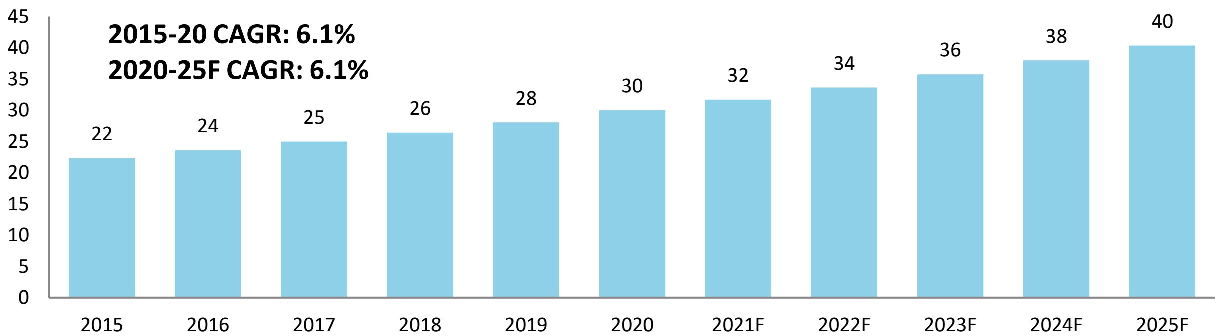
Source: F&S Report: Frost & Sullivan Primary Research & Analysis

APIs can be categorized into synthetic APIs and Biological APIs. In 2020, synthetic APIs accounted for approximately 70% of the total global API market and biological APIs accounted for the remaining 30%. Complicated process, higher regulations, high investments have been some of the key reasons for lower share of biological APIs. Biological APIs segment is expected to grow at the higher CAGR during the forecast period, as biotech drugs are preferred due to their specificity in action, advancements in biotechnology, increase in the demand for monoclonal antibodies and their similarity with the natural biological compounds found in the human body.

Global API-KSM market

Key Starting Materials (KSMs) refer to intermediates used in the pharmaceutical industry. Intermediates refer to the substances that are semi-finished products and/or materials that are essential to make a product. KSMs form an essential part of the pharmaceutical value chain. KSMs are building blocks of the drug industry. High volume specialty intermediates constitute the basic synthetic building blocks for producing active ingredients, these intermediates include organic acids, esters, amines, nitriles, aldehydes, anhydrides, ketene and diketene derivatives, ketones and others. The global market for speciality intermediates that go into pharmaceutical applications was valued at US$30 billion in calendar year 2020.

Global API-KSM, Industry size (US$ billion), 2015-2025F



Source: F&S Report: Frost & Sullivan Primary Research & Analysis

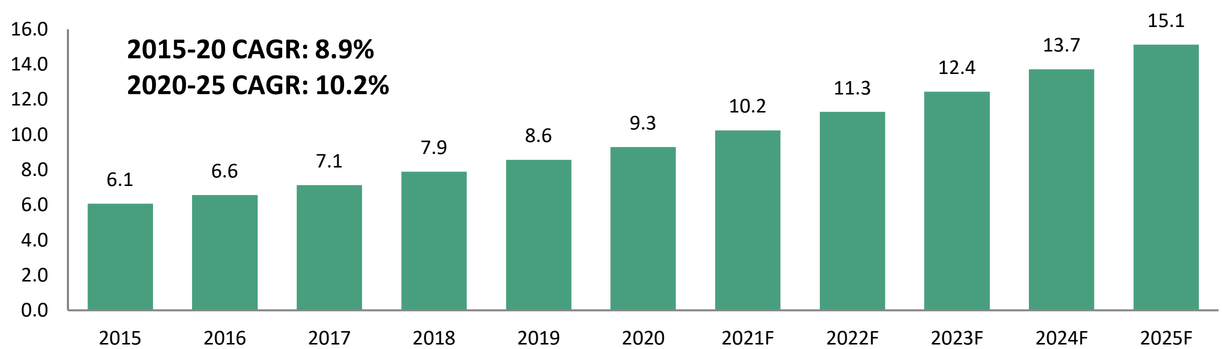
OVERVIEW OF THE INDIAN API INDUSTRY

In 2019, the Indian pharmaceutical industry was the world's third largest in terms of volume and thirteenth largest in terms of value. The increasing incidence of chronic diseases, along with growing importance of generics are the key factors driving the growth of the Indian APIs market. Advancements in active pharmaceutical ingredient (API) manufacturing and growth of the biopharmaceutical sector is also driving the market growth.

Value of the Indian API industry

According to the F&S Report, the Indian API market grew at a CAGR of 9% from US$6.1 billion in 2015 to US$9.3 billion in 2020, and is expected to grow at a CAGR of 10.2% from US$9.3 billion in 2020 to 15.1 billion in 2025. In 2019, more than 30% of the APIs manufactured in India were exported to countries, such as the United States, United Kingdom and Japan, etc.

Indian API Industry size (US$ billion), 2015-2025F

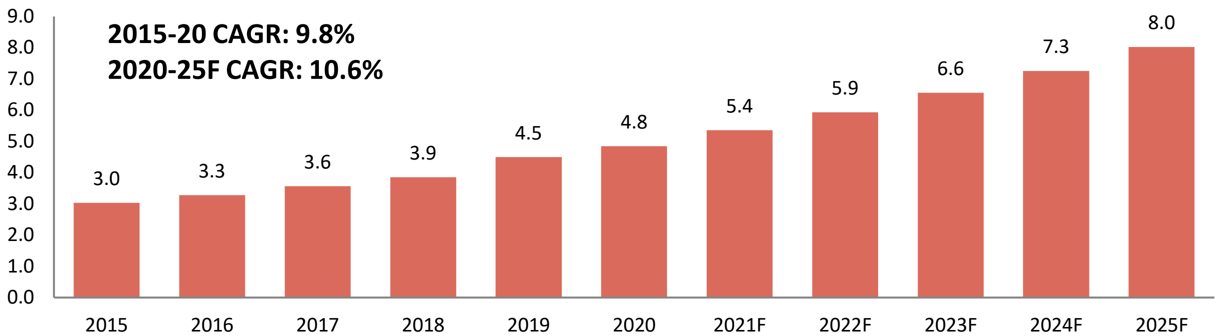


Source: F&S Report; : Frost & Sullivan Primary Research & Analysis

Indian API-KSM market

According to the F&S Report, the market for KSMs or pharmaceutical intermediates in India grew at a CAGR of 9.8% from US$3.0 billion in 2015 to US$4.8 billion in 2020, and is expected to increase at a CAGR of 10.6% from US$4.8 billion in 2020 to US$8.0 billion in 2025.

Indian API-KSM Market size (US$ billion), 2015-2025F



Source: F&S Report: Frost & Sullivan Primary Research & Analysis

OVERVIEW ON SELECTED APIS AND RELATED INTERMEDIATES

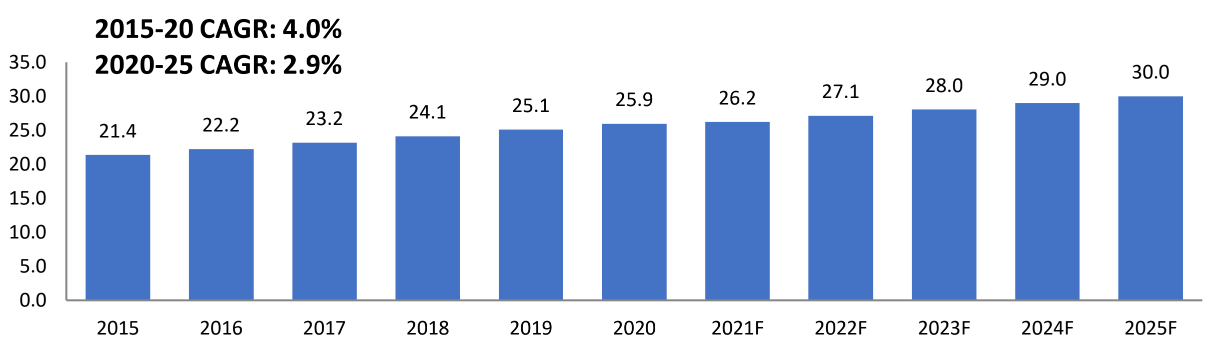
Overview of anti-hypertensive drugs market

Global anti-hypertensive drugs industry

According to the F&S Report, the global antihypertensive drugs market amounted to US$25.9 billion in calendar year 2020, and is expected to reach US$30 billion by 2025, registering a CAGR of 2.9% from 2020 to 2025.

The anti-hypertensive drugs are used to prevent heart failure, kidney failure and acute stroke induced by hypertension. Some of the major anti-hypertensive drugs include diuretics, angiotensin-converting enzyme (ACE) inhibitors, and angiotensin II receptor antagonists.

Global Anti-Hypertensive Drugs Market (US$ billion), 2015 – 2025F



Source: F&S Report: Frost & Sullivan Primary Research & Analysis

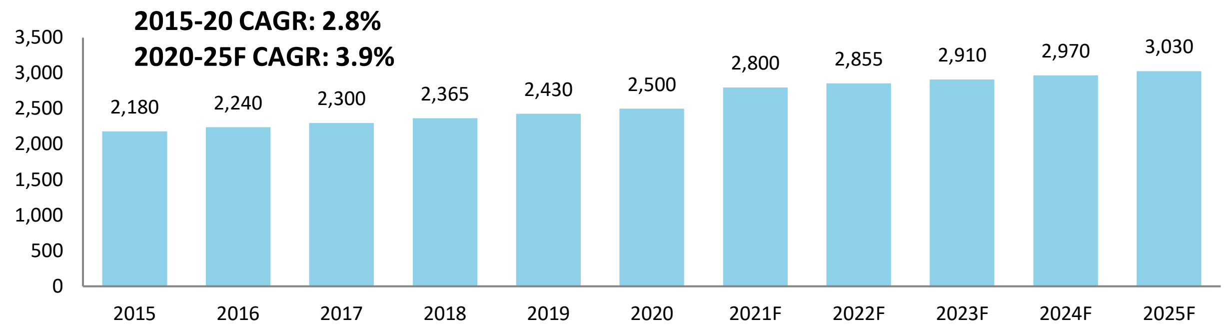
API – Metoprolol

Metoprolol is a beta-blocker that affects the heart and circulation (blood flow through arteries and veins). Metoprolol is used to treat angina (chest pain) and hypertension (high blood pressure). Metoprolol is also used to lower risk of death or needing to be hospitalized for heart failure. Metoprolol injection is used during the early phase of a heart attack to lower the risk of death.

Metoprolol is a selective beta-1 blocker commonly employed as the succinate and tartrate derivatives, depending on whether the formulation is designed to be of immediate release or extended release. To this date, it is one of the preferred beta-blockers in general clinical guidelines and it is widely prescribed in the Netherlands, New Zealand, and the United States.

The volume of the global metoprolol industry grew at a CAGR of 2.8% from 2,180 metric tons in 2015 to 2,500 metric tons in 2020, and is expected to grow at a CAGR of 3.9% from 2,500 metric tons in 2020 to 3,030 metric tons in 2025.

Global Metoprolol Industry size (metric tons), 2015-2025F



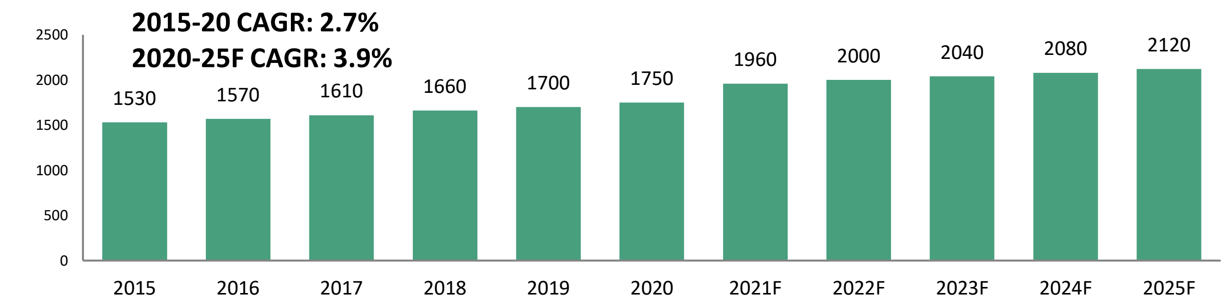
Source: F&S Report; Frost & Sullivan Primary Research & Analysis

***4MEP –** Intermediate Requirement of Metoprolol*

4-(2-Methoxyethyl) phenol ("4MEP") is one of the key intermediates used in production of Metoprolol. Approximately 0.7 metric tons of 4-(2-Methoxy ethyl) phenol is required to manufacture 1.0 million tonne of Metoprolol derivatives. Other than to produce Metoprolol, there is no other key end application for 4MEP

The volume of the global 4MEP industry grew at a CAGR of 2.7% from 1,530 metric tons in 2015 to 1,750 metric tons in 2020, and is expected to grow at a CAGR of 3.9% from 1,750 metric tons in 2020 to 2,120 metric tons in 2025.

Global 4MEP market size (metric tons), 2015-2025F



Source: F&S Report: Frost & Sullivan Primary Research & Analysis, 4MEP market is arrived at using consumption of approximately 0.7 consumption in kilograms per kilograms ("kg/kg") for metoprolol

In 2020, Aether Industries Limited was the biggest manufacturer of this product in the world, in terms of production volume, and the only manufacturer of this product in India. Aether Industries Limited's production volume of 4MEP increased from 308 metric tons in calendar year 2017 to 488 metric tons in calendar year 2020, representing a CAGR of 16.5% across the period. In calendar year 2020, Aether Industries Limited had a nearly 28% of the global 4MEP market, according to the F&S Report based on Frost & Sullivan Primary Research. According to the F&S Report based on Frost & Sullivan Primary Research, the global market shares of other manufacturers of 4MEP (other than Aether Industries Limited) in calendar year 2020 are set forth below:

Name of company	Production range	Global market share percentage
Otsuka Chemicals, Japan	450-480 MT	26% to 27%
Apeloa Pharma, China	420-450 MT	24% to 26%
Other Chinese players (fragmented supplier base)	390-450 MT	22% to 26%

Source: F&S Report: Frost & Sullivan Primary Research & Analysis

For the twelve months ended December 31, 2021, Aether Industries Limited produced 1,079 metric tons of 4-MEP (including 179 MT of the 4-MEP derivative). The increased production is expected to address an organic growth in demand for API as a result of COVID-19 and to cater for the demand of customers who used to procure from Chinese companies which shut down in 2019 and 2020 due to environmental issues. Aether Industries Limited employs Grignard chemistry, ethylene oxide chemistry, and isobutylene chemistry as the core chemistry competencies and continuous reaction technology and fractional distillation technology as the core technology competencies for this product.

The other major global manufacturers of 4MEP include Otsuka Chemicals from Japan, Apeloa Pharma from China and other Chinese players.

Anti-hypertensive drugs – Sartans

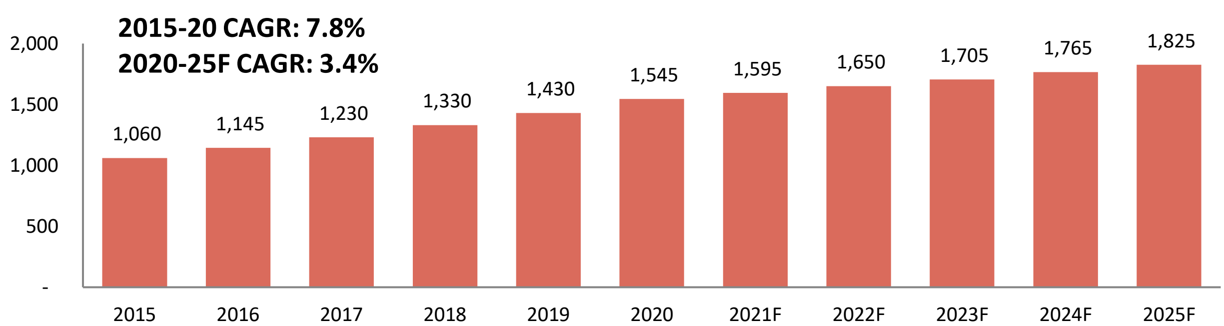
Sartans are the latest generation of anti-hypertensive drugs, which have good anti-hypertensive effect and drug tolerance, less adverse reactions, and have protective effect on target organs. Sartans have less reactions on internal organs and therefore, its use is increasing consistently. According to the F&S Report, there are currently more than 1 billion patients with hypertension in the world. Long term-treatment drives the demand for Sartans and intermediates. Due to the shortage of key intermediates, the tightening of environmental protection and the incident of Sartan impurities, the supply of Sartan products is in short supply recently and the price continues to rise.

Sartans can be divided into five categories: Valsartan, Irbesartan, Telmisartan, Losartan and Others. The global market for Sartans is expected to grow by approximately 3.2% from US$15.6 billion in 2019 to US$16.1 billion in 2020, according to the F&S Report. Frost & Sullivan expects that the market size of Sartans to grow at a CAGR of 1.4% from 2020 to reach US$16.7 billion in 2025.

API – Valsartan

Valsartan is the generic name for N-(1-oxopentyl)-N-[[2'-(1H-tetrazol-5- yl)[1 ,1'-biphenyl]-4-yl]methyl]-L-valine. Valsartan is used to treat high blood pressure and heart failure. Valsartan belongs to a class of drugs called angiotensin receptor blockers (ARBs). It works by relaxing blood vessels so that blood can flow more easily. Lowering high blood pressure helps prevent strokes, heart attacks, and kidney problems.

Global Vasartanl Industry size (metric tons), 2015-2025F

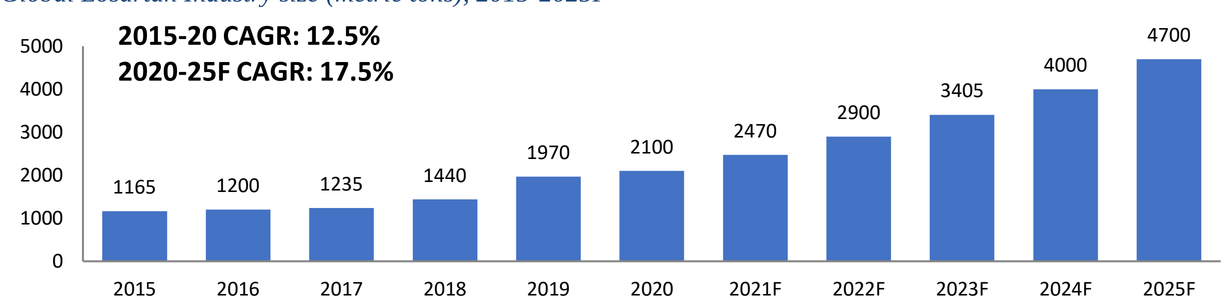


Source: F&S Report: Frost & Sullivan Primary Research & Analysis

API – Losartan

Losartan is a medication that is used to treat high blood pressure. Losartan is widely used in slowing down long-term kidney damage due to type II diabetes. With growing prevalence of hypertension, stroke and diabetic nephropathy across the world, the Losartan market is expected to grow at a CAGR of 17.5% from 2020 to 2025.

Global Losartan Industry size (metric tons), 2015-2025F

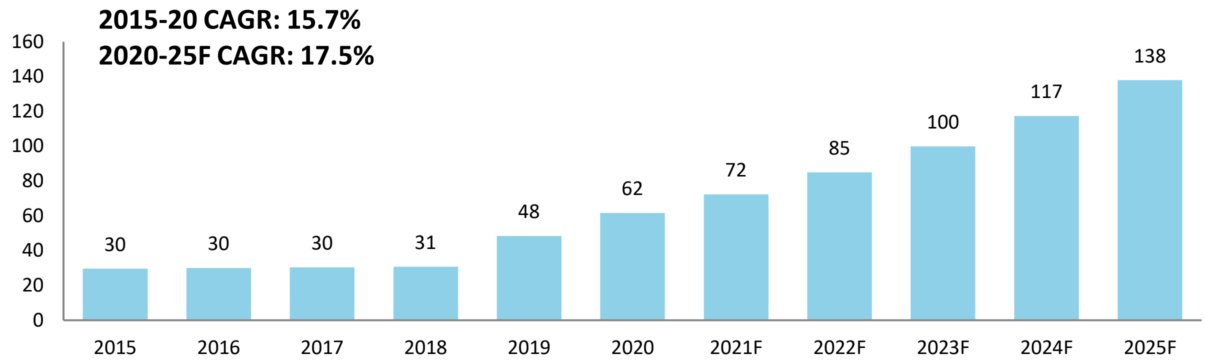


Source: F&S Report: Frost & Sullivan Primary Research & Analysis

API – Olmesartan

Olmesartan is a medication used to treat high blood pressure, heart failure and diabetic kidney disease. Olmesartan was developed by Sankyo and Forest Laboratories. Olmesartan medoxomil was approved by the United States in April 2002 with the trade name "Benicar" and was approved by Europe in October 2002. Olmesartan has quick, strong and lasting antihypertensive effect with low dosage and few adverse reactions, especially dry cough.

Global Olmesartan Industry size (metric tons), 2015-2025F



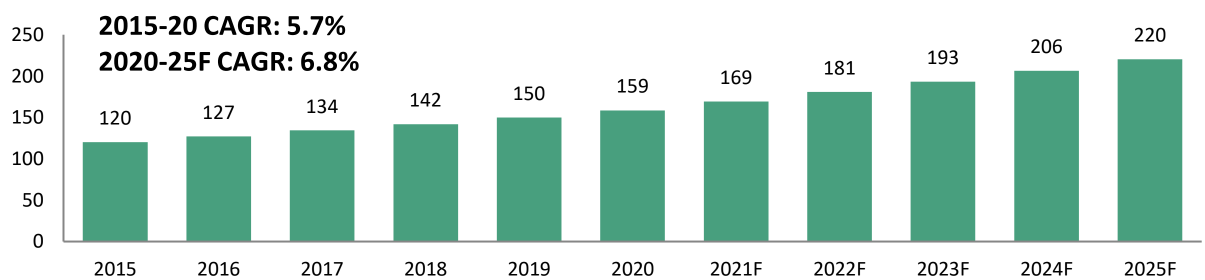
Source: F&S Report: Frost & Sullivan Primary Research & Analysis

API – Telmisartan

Telmisartan is an angiotensin receptor blocker (ARB) used alone or in combination with other agents for therapy of hypertension, in cardiac attack and in stroke management. Other agents such as hydrochlorothiazide and amlodipine are often used along with Telmisartan.

The rise in marketing approvals for generic versions of telmisartan, increase in sedentary lifestyle, and surge in incidences of chronic diseases such as diabetes and kidney disease, are expected to drive the growth of the Telmisartan market.

Global Telmisartan Industry size (metric tons), 2015-2025F

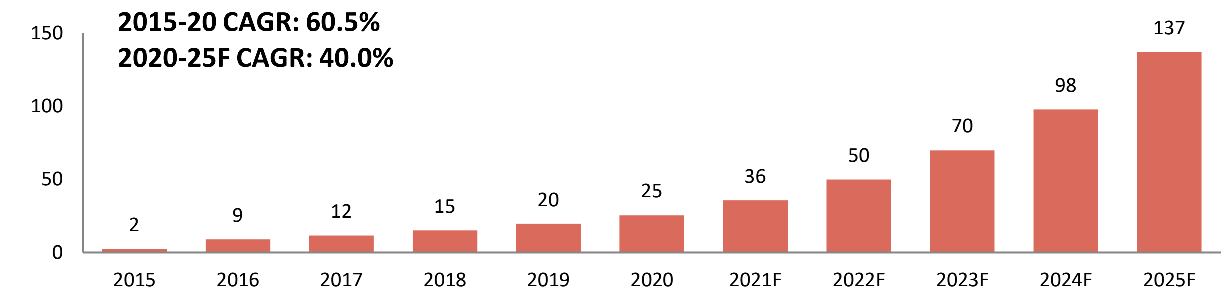


Source: F&S Report: Frost & Sullivan Primary Research & Analysis

API – Candesartan

Candesartan is an angiotensin receptor blocker used mainly for the treatment of high blood pressure and congestive heart failure. Candesartan has an additive hypertensive effect when combined with a diuretic, such as chlorthalidone. Angiotensin receptor blockers such as candesartan and valsartan have been demonstrated in randomised controlled trials to reduce heart failure hospitalisations and cardiovascular deaths for chronic heart failure patients.

Global Candesartan Industry size (metric tons), 2015-2025F

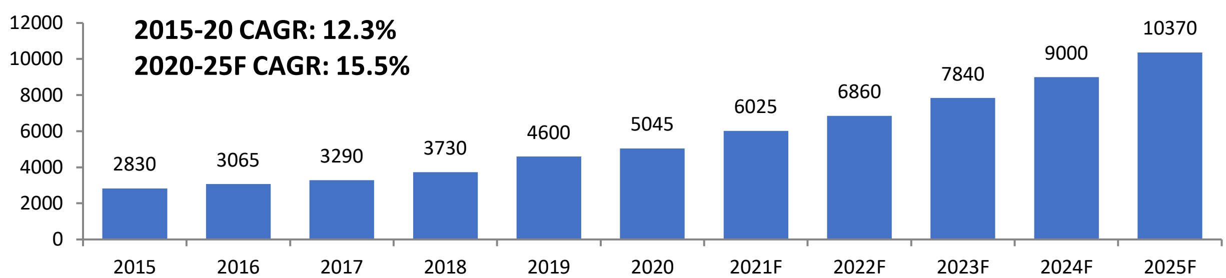


Source: F&S Report: Frost & Sullivan Primary Research & Analysis

OTBN – *Intermediate requirement for multiple sartans*

Ortho Tolyl Benzo Nitrile / 4'-Methyl-2-Cyanobiphynyl ("OTBN") is a key intermediate for manufacturing of variety of Sartan drugs as blood pressure lowering agent. Some companies undertake bromination of OTBN to convert into Bromo OTBN for application in Sartan series of drugs. According to the F&S Report, the volume of the global OTBN market grew at a CAGR of 12.3% from 2,830 metric tons in 2015 to 5,045 metric tons in 2020, and is expected to grow at a CAGR of 15.5% from 5,045 metric tons in 2020 to 10,370 metric tons in 2025.

Global OTBN Industry size (metric tons), 2015-2025F



Source: F&S Report: Frost & Sullivan Primary Research & Analysis; OTBN market is arrived at using its consumption of approximately 1.18 kg/kg for Losartan, approximately 0.83 kg/kg for Telmisartan, approximately 0.85 kg/kg for Irbesartan, approximately 1.15 kg/kg each for Candesartan, Valsartan, Olmesarta, Azilsartan

In India, Aether Industries Limited is the only manufacturer of OTBN and has production of approximately 417 metric tons in 2020, representing approximately 8% of the global market in terms of production volume, according to the F&S Report. The company started production in 2018. The production reached 308 MT in calendar year 2019 and increased by 35.4% to 417 MT in calendar year 2020. According to the F&S Report based on Frost & Sullivan Primary Research, the global market shares of other major manufacturers of OTBN (other than Aether Industries Limited) in calendar year 2020 are set forth below:

Name of company	Production range	Global market share percentage
Chinese players (fragmented supplier base)	4,615-4,630 MT	91% to 92%

Source: F&S Report: Frost & Sullivan Primary Research & Analysis

For the twelve months ended December 31, 2021, Aether Industries Limited produced 205 metric tons of OTBN. The company has deployed Grignard chemistry and coupling chemistry as the core chemistry competencies and continuous reaction technology and fractional distillation technology as the core technology competencies for this product. The company has improved the Grignard reaction and also established a continuous recovery and recycle process for the THF solvent, to increase the yield of production and to improve the overall process economics.

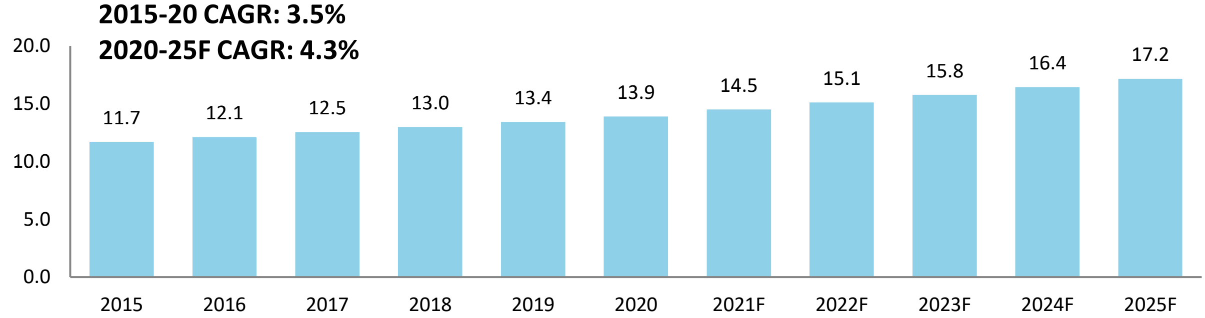
Most of the OTBN is being manufactured in China. According to the F&S Report, total production volume of China in 2021 was approximately 4,500 metric tons. Key manufacturers include, among others, Tianyu Pharmaceutical Co., Ltd, Yancheng Donggang. In 2019, the Chinese government implemented strict safety laws resulting in cessation of production activities of many small manufacturers. The prices of OTBN had increased substantially in 2019 but had stabilized in 2020.

Overview of the global antipsychotic drugs market

Psychosis is a disorder where the person may face serious distortion of behaviour, thought, perception and recognition of reality. The patients may experience hallucinations and delusions along with having wrong evaluation and misperception of other people, facts or situations. Psychosis is not a condition but rather gets triggered due to other conditions such as stress, traumatic experiences or physical conditions namely brain tumour, Parkinson's disease or due to alcohol or drug misuse. According to the F&S Report, the Global Antipsychotic Drugs Market was valued at US$13.9 billion in 2020 and is expected to grow at 4.3% over the forecast period till 2025.

Antipsychotic drugs also known as neuroleptics or major tranquilizers are used primarily for treating psychosis. Such drugs help in blocking the dopamine receptors in the brain's dopaminergic pathways, thus repressing the dopamine's effect that is linked directly to psychotic experiences. These drugs are used to treat common psychotic disorders including bipolar disorder, delusions, hallucinations, schizophrenia and others.

Global Antipsychotic Drugs Market, Industry size (US$ billion), 2015-2025F



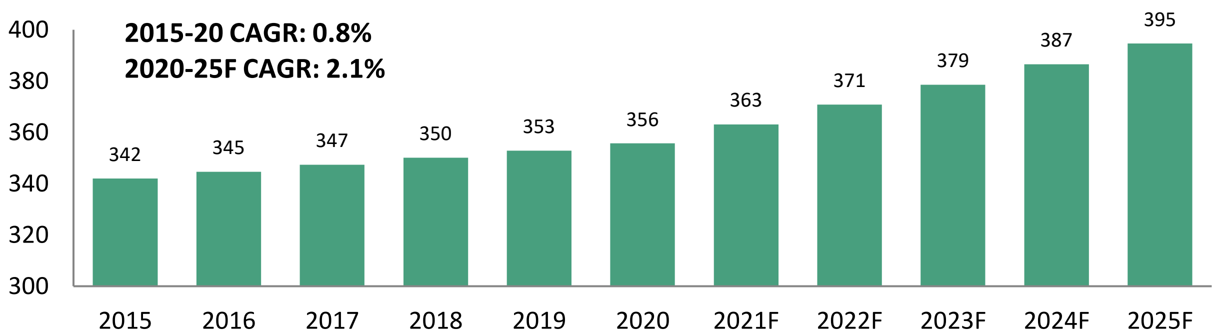
Source: F&S Report: Frost & Sullivan Primary Research & Analysis

API- Quetiapine

Quetiapine is an atypical antipsychotic used for the treatment of schizophrenia. It may be used as part of a treatment program to treat bipolar disorder and schizophrenia in children and teenagers. Quetiapine is in a class of medications called atypical antipsychotics. It works by changing the activity of certain natural substances in the brain. The volume of the global quetiapine market grew at a CAGR of 0.8% from 342 metric tons in 2015 to 356 metric tons in 2020, and is expected to grow at a CAGR of 2.1% from 356 metric tons in 2020 to 395 metric tons in 2025.

According to the F&S Report, it is estimated that over 1.25% of the global population as of 2019 suffers from psychosis and related disorders. This translates into a potential market of about 7.5 million people as target consumers for antipsychotic drugs. The market holds immense growth promise for future years as the patient pool of psychotic conditions is rising at an alarming rate across the globe. The introduction of newer antipsychotic compounds and the vast funds poured in for research and development activities are also expected to have a significant positive impact on the overall development of the market in the near future.

Global Quetiapine Industry size (metric tons), 2015-2025F



Source: F&S Report: Frost & Sullivan Primary Research & Analysis

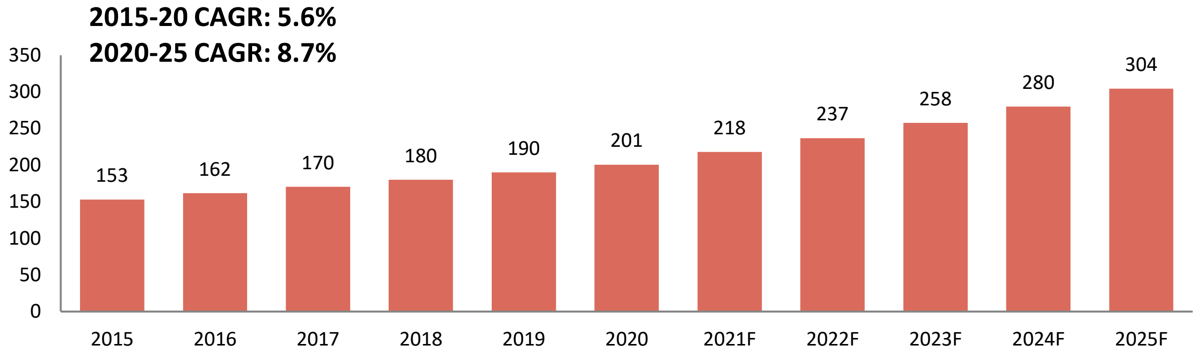
***HEEP** – Intermediate Requirement of Quetiapine*

2-(2-piperazin-1-ylethoxy)-ethanol is one of the key intermediates used in production of quetiapine and its salts. In the production process, 6.14 kilograms (equivalent to 35.24 molecular weight) of 2-(2-piperazin-1-ylethoxy)-ethanol [CAS: 13349-82-1 synonym to 1-(2-(2-Hydroxy Ethoxy)Ethyl Piperazine ("**HEEP**")) is added to produce 5.7 kilograms (12.91 molecular weight, 91.85%) of quetiapine fumarate. This gives a stoichiometry of nearly 1.08 kilograms of 1-(2-(2-Hydroxy Ethoxy)Ethyl Piperazine for production of 1 kilograms of quetiapine.

Overview of the global antihistamine drugs market

Antihistamines are a class of drugs that inhibit the action of histamine by attacking the specific cell receptors meant for histamines. Histamine is an immune substance released by body's immune system when attacked by allergens or due to intake of histamine-deficient food. Some food items also trigger their excessive production which creates immune response. Histamine attaches to specific receptors of body cells which results in symptoms such as running nose, watery eyes, pain, itching, redness, and wheezing. Antihistamines are used to relieve the symptoms of seasonal allergies, motion sickness, nausea, cold and cough, anxiety.

Global Antihistamines Drugs, Industry size (US$ million), 2015-2025F

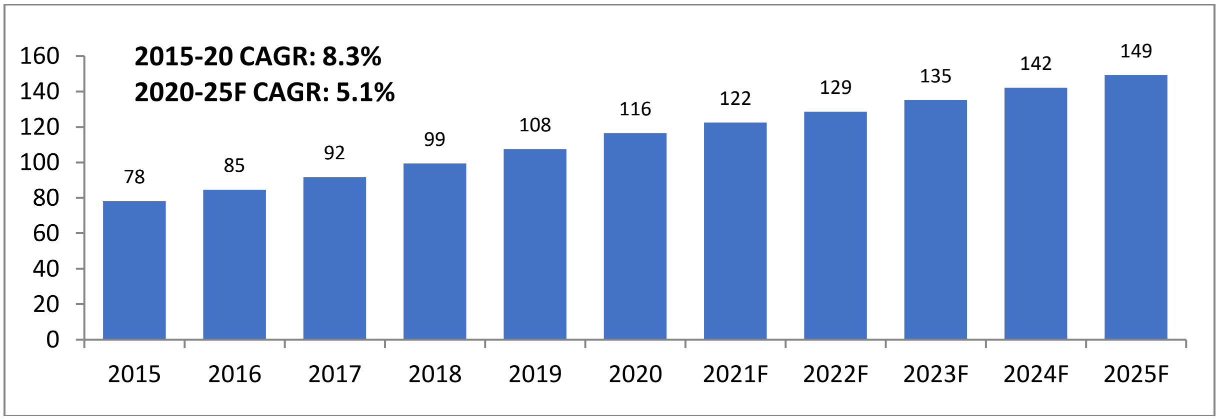


Source: F&S Report: Frost & Sullivan Primary Research & Analysis

API- Hydroxyzine

Hydroxyzine is used in adults and children to relieve itching caused by allergic skin reactions. It is also used alone or with other medications in adults and children to relieve anxiety and tension. Hydroxyzine is also used along with other medications in adults and children as a sedative before and after general anaesthesia for surgery. Hydroxyzine is in a class of medications called antihistamines. It works by blocking the action of histamine a substance in the body that causes allergic symptoms. It also works by decreasing activity in the brain.

Global Hydroxyzine Industry size (metric tons), 2015-2025F



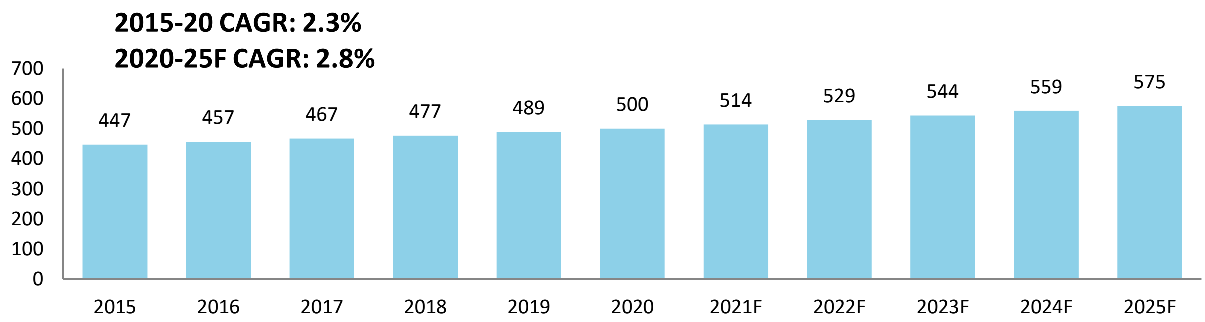
Source: F&S Report: Frost & Sullivan Primary Research & Analysis

HEEP – Intermediate requirement of hydroxyzine

1-[2-(2-Hydroxyethoxy) Ethyl] Piperazine ("HEEP") is used in chemical synthesis for manufacturing API such as Quetiapine and Hydroxyzine.

According to the F&S Report, the volume global HEEP market grew at a CAGR of 2.3% from 447 metric tons in 2015 to 500 metric tons in 2020, and is expected to grow at a CAGR of 2.8% from 500 metric tons in 2020 to 575 metric tons in 2025.

Global HEEP Industry size (metric tons), 2015-2025F



Source: F&S Report; Frost & Sullivan Primary Research & Analysis; HEEP market is arrived at using its consumption of approximately 1.08kg/kg for Quetiapine and approximately 1kg/kg for Hydroxyzine

The global HEEP market is dominated by Indian companies with three major intermediate manufacturers operating in the market. Aether Industries Limited is the largest manufacturer of HEEP in India and globally. Aether Industries Limited's production volume of HEEP grew at a CAGR of 50.6% from 76 metric tons in calendar year 2018 to 200 metric tons in calendar year 2020. With production of 171 metric tons in calendar year 2020, Aether had a 34% market share in the global HEEP market in calendar year 2020, in terms of production volume, according to the F&S Report. According to the F&S Report based on Frost & Sullivan Primary Research, the global market shares of other major manufacturers of HEEP (other than Aether Industries Limited) in calendar year 2020 are set forth below:

Name of company	Production range	Global market share percentage
Allchem Lifescience Ltd, India	75-85 MT	15% to 16%
Ami Organics, India	80-85 MT	16% to 17%
Other Chinese players (fragmented supplier base)	150-180 MT	30% to 36%

Source: F&S Report: Frost & Sullivan Primary Research & Analysis

For the twelve months ended December 31, 2021, Aether Industries Limited produced 131 metric tons of HEEP, which made it the largest manufacturer globally based on production volume, according to the F&S Report based on Frost & Sullivan Primary Research. Aether Industries Limited deploys ethylene oxide chemistry as the chemistry core competency and continuous reaction technology as the technology core competency for this product, utilizing in-house continuous dry HCl gas generation plant.

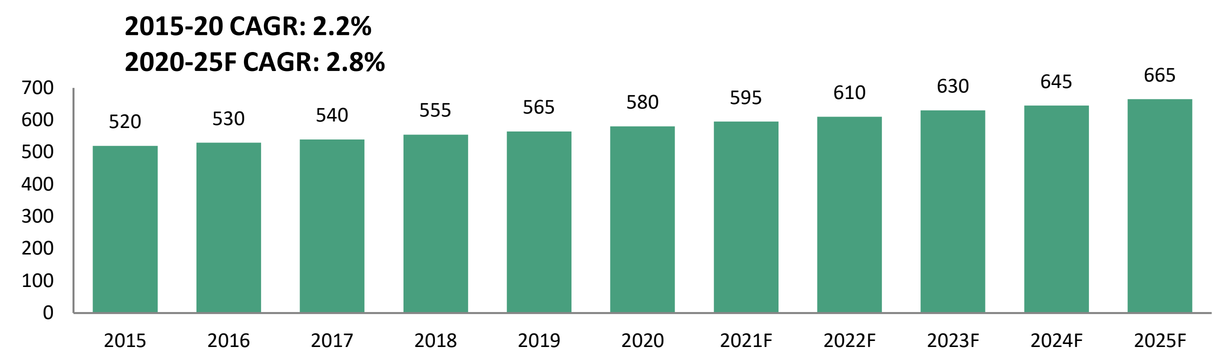
Other Indian manufacturers of HEEP include Allchem Lifescience Ltd. And Ami Organics Limited. Amongst all three Indian manufacturers of HEEP, Aether Industries Limited is the only manufacturer that is back-integrated into the manufacture of HEEP's key raw material viz. 2-CEE. Apart from Indian players, there are Chinese players operating in the market with a total production volume of 150 to 180 metric tons annually. These Chinese companies include, among others, Suzhou Jingye Medicine & Chemical Co., Ltd., Zhejiang Supor Pharmaceuticals Co., Ltd.

2-CEE *– Raw material for HEEP*

2-(2-Chloroethoxy)ethanol ("2-CEE") is a raw material used for manufacturing of HEEP. It is one of the most important components for manufacturing of HEEP. 2-CEE is used in the synthesis of o-nitrophenylbromoacetaldehyde bis-2-(2-chloroethoxy)-ethyl acetal, in production of HEEP to be used for quetiapine (an antipsychotic drug), hydroxyzine, 2-(2-azidoethoxy)ethanol, among others. The typical stoichiometry of conversion of 2-CEE to HEEP is nearly 1.05.

The volume of the global 2-CEE market grew at a CAGR of 2.2% from 520 metric tons in 2015 to 580 metric tons in 2020, and is expected to grow at a CAGR of 2.8% from 580 metric tons in 2020 to 665 metric tons in 2025. The global market for 2-CEE was around 580 metric tons in 2020 registering a historic growth of around 2.2% between 2015-2020.

Global 2-CEE Industry size (metric tons), 2015-2025F



Source: F&S Report: Frost & Sullivan Primary Research & Analysis; 2-CEE market is arrived at using its consumption of approximately 1.05kg/kg for HEEP

The global 2-CEE market is dominated by Indian and Chinese players. According to the F&S Report, Aether Industries Limited is the largest manufacturer of this product in the world in calendar year 2020, based on production volume, and the only manufacturer of this product in India. Aether Industries Limited's production volume of 2-CEE increased from 42 metric tons in calendar year 2017 to 275 metric tons in calendar year 2020, representing a CAGR of 86.5%. In calendar year 2020, Aether Industries Limited accounted for approximately 47% of the global 2-CEE market. According to the F&S Report based on Frost & Sullivan Primary Research, the global market shares of other major manufacturers of 2-CEE (other than Aether Industries Limited) in calendar year 2020 are set forth below:

Name of company	Production range	Global market share percentage
Chinese players (fragmented supplier base)	300-310 MT	52% to 53%

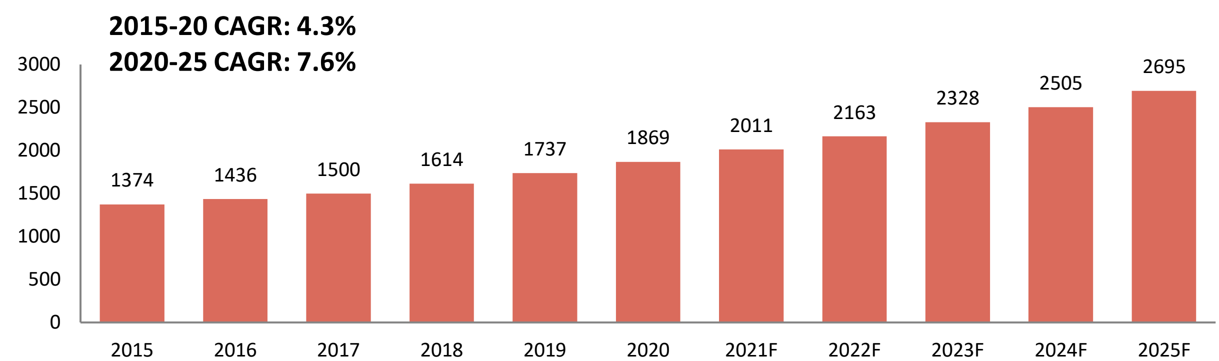
Source: F&S Report: Frost & Sullivan Primary Research & Analysis

For the twelve months ended December 31, 2021, Aether produced 257 metric tons of 2-CEE, according to the F&S Report. Aether Industries Limited currently supplies to other HEEP manufacturers in India, such as Ami Organics and Allchem. The rest of the global 2-CEE market is contributed by Chinese players (including, among others, Jingye Medicine & Chemical Co., Ltd.).

Overview of the global antiplatelet drugs market

Antiplatelet drugs, often called platelet agglutination inhibitor, is a class of therapeutics that helps in reducing or preventing the blood coagulation by limiting the activity of platelets to stick or bind together. Clotting of blood is physiological action of the body which helps in controlling external bleeding during the time of injuries. But this tendency of blood clotting may not be useful when there are no injuries or cuts. Hence antiplatelet drug agents are therapeutically used to stop clotting when not required.

Global Antiplatelet Drugs Market, Industry size (US$ million), 2015-2025F



Source: F&S Report: Frost & Sullivan Primary Research & Analysis

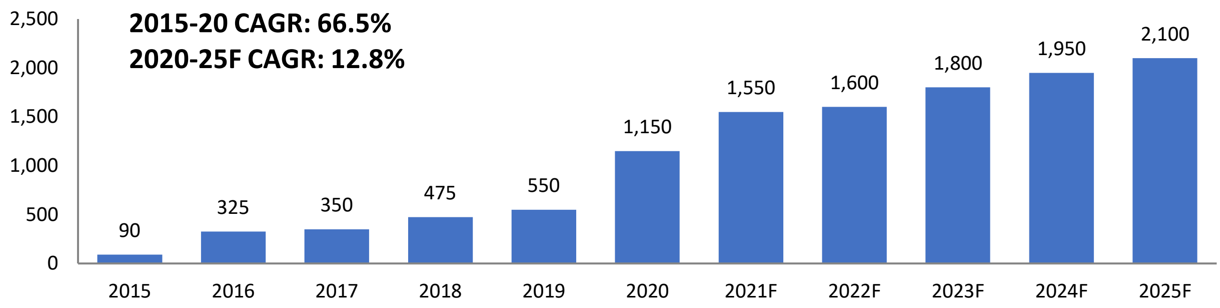
API – Clopidogrel

Clopidogrel is an antiplatelet medicine. It prevents platelets (a type of blood cell) from sticking together and forming a dangerous blood clot. Taking clopidogrel helps prevent blood clots. This reduces the risk of having a heart attack or stroke.

The primary factor for the increased demand for clopidogrel is the mounting population across the world who are suffering from cardiovascular diseases and related problems.

The volume of the global clopidogrel industry grew at a CAGR of 12.8% from 90 metric tons in 2015 to 1,150 metric tons in 2020, and is expected to grow at a CAGR of 66.5% from 1,150 metric tons in 2020 to 2,100 metric tons in 2025.

Global Clopidogrel Industry size (metric tons), 2015-2025F



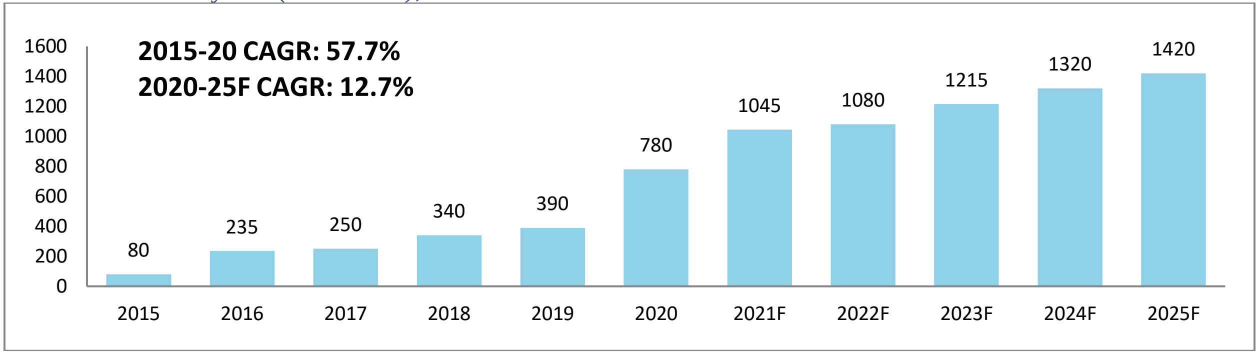
Source: F&S Report: Frost & Sullivan Primary Research & Analysis

***T2E** – Intermediate requirement of clopidogrel*

Thiophene-2-Ethanol ("T2E") is one of the key intermediates for manufacturing of clopidogrel. In the production process, 115 kilogram of T2E is added to produce 180 kilogram (12.91 molecular weight, 91.85%) of clopidogrel. This gives a stoichiometry of nearly 0.65 kilogram of T2E for production of 1.0 kilogram of clopidogrel.

According to the F&S Report, the volume of the global T2E industry grew at a CAGR of 57.7% from 80 metric tons in 2015 to 780 metric tons in 2020, and is expected to grow at a CAGR of 12.7% from 780 metric tons in 2020 to 1,420 metric tons in 2025.

Global T2E Industry size (metric tons), 2015-2025F



Source: F&S Report: Frost & Sullivan Primary Research & Analysis; T2E is arrived at using its consumption of approximately 0.65kg/kg each for Clopidogrel and Ticlopidine

According to the F&S Report, Aether Industries Limited is the biggest manufacturer of T2E in the world in 2020, in terms of production volume, and the only manufacturer of this product in India. Aether Industries Limited's production volume of T2E grew at a CAGR of 75.7% from 72 metric tons in 2017 to 392 metric tons in 2020. For calendar year 2020, Aether Industries Limited accounted for nearly 50% of the global T2E market, according to the F&S Report. According to the F&S Report based on Frost & Sullivan Primary Research, the global market shares of other major manufacturers of T2E (other than Aether Industries Limited) in calendar year 2020 are set forth below:

Name of company	Production range	Global market share percentage
Chinese players (fragmented supplier base)	380-400 MT	49% to 50%

Source: F&S Report: Frost & Sullivan Primary Research & Analysis

For the twelve months ended December 31, 2021, Aether Industries Limited produced 453 metric tons of T2E. The company has deployed Grignard chemistry and ethylene oxide chemistry as the chemistry core competencies and continuous reaction technology and fractional distillation technology as the core technology competencies for this product. Apart Aether Industries in India , Chinese companies are the other major manufacturers of this intermediate. In particular, Zhejiang Liaoyuan Pharmaceutical Co., Ltd. Is one of the key manufacturers located in China.

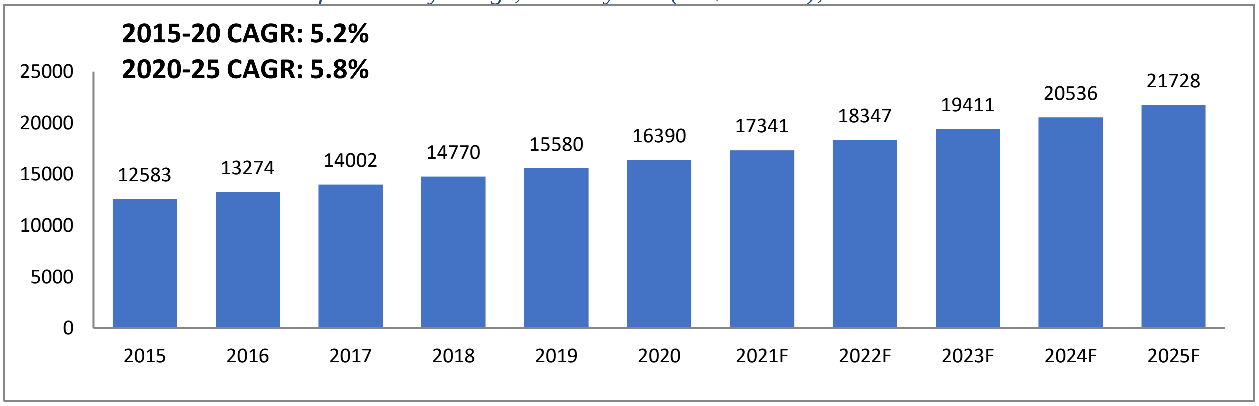
Overview of the global NSAID industry

Non-steroidal anti-inflammatory drugs (NSAIDs) is a class of powerful analgesics, distinguished by their non-steroidal chemical structure. These drugs are frequently prescribed to reduce pain caused due to inflammation. These are considered as the first line of treatment in pain management due to three basic properties: analgesic, antipyretic, and anti-inflammatory.

Value of the global NSAID industry

According to the F&S Report, the value of the global NSAID industry grew at a CAGR of 5.2% from US$12.6 billion in 2015 to US$16.4 billion in 2020, and is expected to grow at a CAGR of 5.8% from US$16.4 billion in 2020 to US$21.7 billion in 2025.

Global Non-Steroidal Anti-Inflammatory Drugs, Industry size (US$ million), 2015-2025F



Source: F&S Report: Frost & Sullivan Primary Research & Analysis

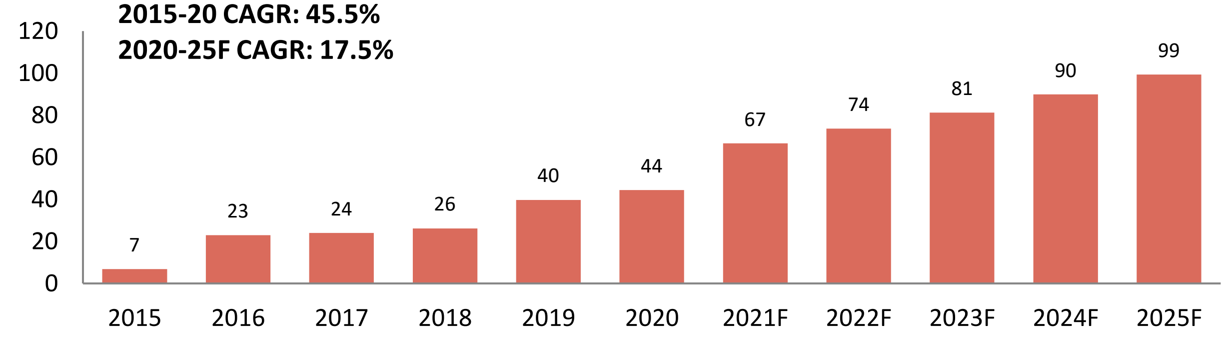
API – Dexketoprofen

Dexketoprofen is one of the key non-steroidal anti-inflammatory drugs (NSAIDs). It is an anti-inflammatory painkiller. Dexketoprofen is used to treat short-term painful conditions such as muscular sprains and strains, period (menstrual) pain, and toothache.

Dexketoprofen works by blocking the effect of natural chemicals called cyclo-oxygenase (COX) enzymes. These enzymes help to make other chemicals in the body called prostaglandins. Some prostaglandins are produced at sites of injury or damage, and cause pain and inflammation. By blocking the effect of COX enzymes, fewer prostaglandins are produced, which means the pain is eased.

With increased population, better access to medical & dental cares, the overall market for NSAIDs, and hence the overall market for dexketoprofen, is expected to grow. According to the F&S Report, the volume of the global dexketoprofen industry grew at a CAGR of 45.5% from 7 metric tons in 2015 to 44 metric tons in 2020, and is expected to grow at a CAGR of 17.5% from 44 metric tons in 2020 to 99 metric tons in 2025.

Global Dexketoprofen Industry size (metric tons), 2015-2025F



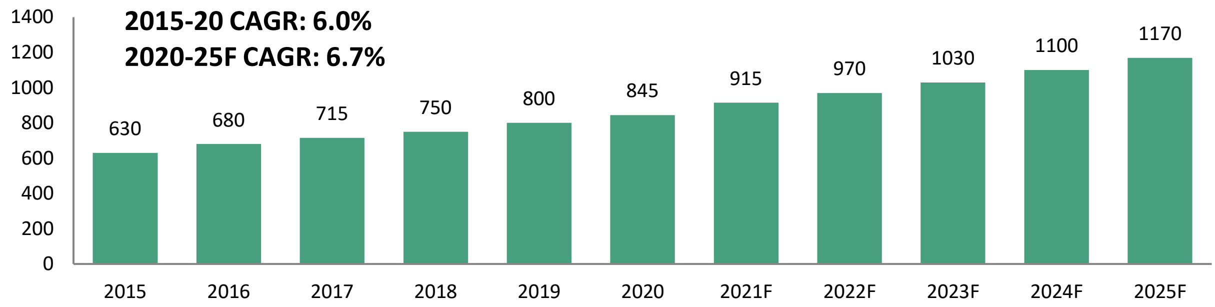
Source: F&S Report: Frost & Sullivan Primary Research & Analysis

***NODG** – Intermediate requirement for dexketoprofen*

N-Octyl-D-Glucamine / 1-Deoxy-1-(Octylamino)-D-Glucitol ("NODG") is one of the key intermediates for manufacture of dexketoprofen and naproxen. The stoichiometry is 0.99 kg of NODG for production of 1.0 kg of dexketoprofen.

According to the F&S Report, the volume of the global NODG market grew at a CAGR of 6.0% from 630 metric tons in 2015 to 845 metric tons in 2020, and is expected to grow at a CAGR of 6.7% from 845 metric tons in 2020 to 1,170 metric tons in 2025.

Global NODG Industry size (metric tons), 2015-2025F



Source: F&S Report: Frost & Sullivan Primary Research & Analysis; NODG market is arrived at using its consumption of approximately 0.2 kg/kg for Naproxen and approximately 0.99 kg/kg for Dexketoprofen

According to the F&S Report, Aether Industries Limited is the largest manufacturer of NODG globally in 2020, in terms of production volume, and is the only manufacturer of this product in India. Aether Industries Limited's production volume of NODG grew at a CAGR of 50.4% from 114 metric tons in 2017 to 396 metric tons in 2020. In calendar year 2020, Aether Industries Limited accounted for approximately 47% of the global NODG market, according to the F&S Report. According to the F&S Report based on Frost & Sullivan Primary Research, the global market shares of other major manufacturers of NODG (other than Aether Industries Limited) in calendar year 2020 are set forth below:

Name of company	Production range	Global market share percentage
Chinese players (fragmented supplier base)	420-500 MT	49% to 58%

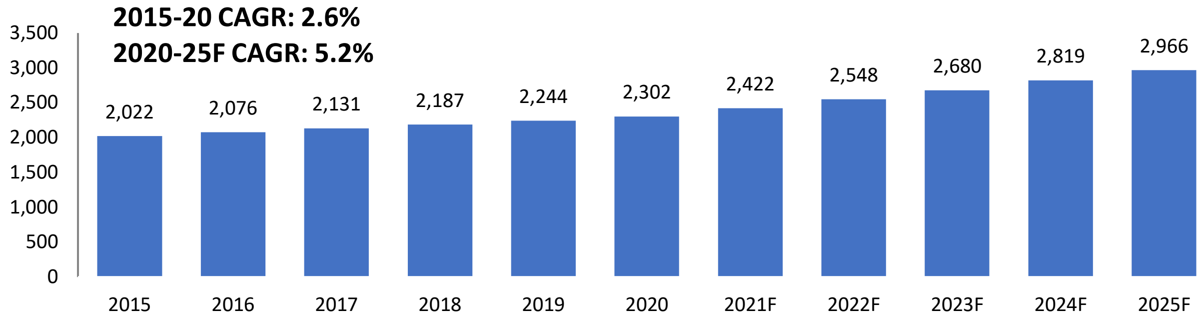
Source: F&S Report: Frost & Sullivan Primary Research & Analysis

For the twelve months ended December 31, 2021, Aether Industries Limited produced 406 metric tons of NODG. The company has superior hydrogenation and high-pressure chemistry core competencies which helps the company to have edge over other companies in this product. Apart from Aether Industries Limited , Chinese companies are the other major manufacturers of this intermediate. Some of the key Chinese manufacturers include Suzhou Jingye Medicine & Chemical Co., Ltd., and Suzhou Tianma Chemical Co. Limited.

API – Naproxen

Naproxen is an over-the-counter (OTC) as well as a prescription drug. Naproxen belongs to heterogeneous set of compounds known to be non-steroidal anti-inflammatory drug (NSAID), which are used as analgesics, anti-inflammatory, and anti-pyretic. Naproxen is used in low to moderate pain management and also used for fever reduction.

Global Naproxen Industry size (metric tons), 2015-2025F



Source: F&S Report: Frost & Sullivan Primary Research & Analysis

Intermediate requirement of Naproxen – NODG

NODG is one of the key intermediates for manufacture of Dexketoprofen and Naproxen. The Stoichiometry is 0.2 kg of NODG for production of 1 kg of Naproxen

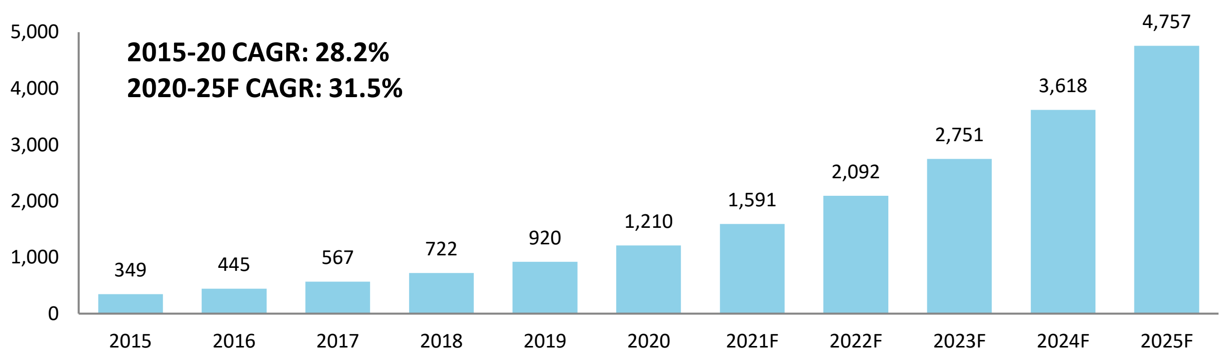
Other Key APIs

Overview of API – Dolutegravir

Dolutegravir (DTG), is an API for antiretroviral medication used, together with other medication, to treat HIV/AIDS. It may also be used, as part of post exposure prophylaxis, to prevent HIV infection following potential exposure. It is an oral medication.

In August 2013, dolutegravir was approved for medical use in the United States, followed by Canada and the European Commission. In 2019, a triple-combination therapy, with dolutegravir replacing efavirenz, was introduced as the first-line treatment for most patients with HIV by the South African Government (public) sector.

Global Dolutegravir Industry size (metric ton), 2015-2025F



Source: Frost and Sullivan Primary Research & Analysis; F&S Report

Being an antiretroviral drug, the major market for Dolutagravir is in Africa and Asia. There are over 30 API manufacturers globally with 19 having U.S. Drug Master Files. The major API producers for this product are based in India. In 2019, GSK, Aurobindo Pharma, Laurus Labs, Mylan Laboratories, and Shanghai Desano Chemical Pharmaceuticals made up for more than 50% of the market share in the global DTG market and, according to Frost & Sullivan, they are expected to continue to dominate the market in the coming years as well.

Overview of API – Carbamazepine

Carbamazepine is used to prevent and control seizures. This medication is known as an anticonvulsant or anti-epileptic drug. It is also used to relieve certain types of nerve pain (such as trigeminal neuralgia). This medication works by reducing the spread of seizure activity in the brain and restoring the normal balance of nerve activity. The drug is sold under many brand names such as Pitol, Carbatrol, Tegretol, and Tegretol XR, among others. It is also used for schizophrenia as an alternate line of treatment as well as for bipolar disorder.

According to the F&S Report, the global carbamazepine market is estimated to be around 300 metric tons in 2020. The increasing demand for carbamazepine for the treatment of various types of seizures and bipolar disorders is expected to drive the global carbamazepine market in the next few years.

The India carbamazepine market is driven by use of these drugs for the treatment of epilepsy and neuropathic pain. Upsurge in the demand for carbamazepine for treating numerous types of seizures and bipolar disorders is expected to rev up the market growth through fiscal 2026. Additionally, supportive government policies and improving healthcare infrastructure are some other reasons that are expected to create lucrative opportunities for the market growth over the next few years.

Overview of API – Oxcarbazepine

Oxcarbazepine is an anticonvulsant. It works by decreasing nerve impulses that cause seizures and pain. This medication is known as an anticonvulsant or anti-epileptic drug. Epilepsy is a disorder of central nervous system which causes abnormal brain activity, periods or seizures of unusual behavior, loss of awareness at times. This drug API is either used alone or along with other drugs for treating partial seizures.

According to the F&S Report, the global oxcarbazepine market is estimated to be around 438 metric tons in 2020. The increasing demand for oxcarbazepine for the treatment of various types of seizures and bipolar disorders is expected to drive the global oxcarbazepine market in the next few years.

According to the F&S Report, the major manufacturers of oxcarbazepine are based in India.

Overview of API – Imipramine

Imipramine (IMI), a tricyclic drug, was introduced in late 1950s. Imipramine is a tricyclic synthetic antidepressant that is used to treat chronic psychiatric disorders, including depression and neuropathic pain. It belongs to a class of drugs called antidepressants and was launched under the brand name Tofranil.

According to the F&S Report, the global Imipramine market is relatively small and is estimated to be around 35-40 metric tons in 2020.

Overview of API – Memantine

Alzheimer's Drugs Market size in 2019 was estimated to be USD 3.5 billion, growing at a CAGR of 6.8% during the forecast period 2020-2025. Alzheimer's disease is a progressive neurological disease and most common form of dementia with symptoms including memory loss and destruction of cognitive abilities serious enough to interfere with daily life. Based on the drug class, Alzheimer's drugs market is segmented into cholinergic, memantine, combined drug, and other drugs. Memantine has dominated the drug class segment. According to the F&S Report, the memantine segment is forecasted to be the fastest-growing segment and is projected to grow at a CAGR of 7-8% during the forecast period 2020-2025, partly driven by the population's growing purchasing power and disposable income.

According to the F&S Report, the global Memantine market is relatively small and is estimated to be approximately 65-70 metric tons in 2020. Increasing number of pipeline studies for use of memantine are expected to boost growth of the memantine market. Increasing number of expired patents of drugs is a major factor hindering growth of the global memantine market. Geographically, North America is expected to hold dominant position in the global memantine market, owing to increasing number of generic versions of memantine in the United States market.

Overview of API – Ketorolac

Ketorolac is a non-steroidal anti-inflammatory drug (NSAID'S) recommended for treatment of moderate or severe pain. Ketorolac functions as inhibitor of prostaglandin synthesis, having anti-inflammatory, antipyretic and analgesic properties and helps in lowering the contraction/relaxation of smooth muscles in the human body. Ketorolac has diversified medicinal use. For example, ketorolac with paracetamol controls pain without affecting respiration in infants, Ketorolac is also used in treatment of dysmenorrhea, as well as in eye drop during eye surgery to surge pain in patients. Due to diversified used in different medical conditions, pharmaceutical companies are focusing on research and development to strengthen their market share in global ketorolac market.

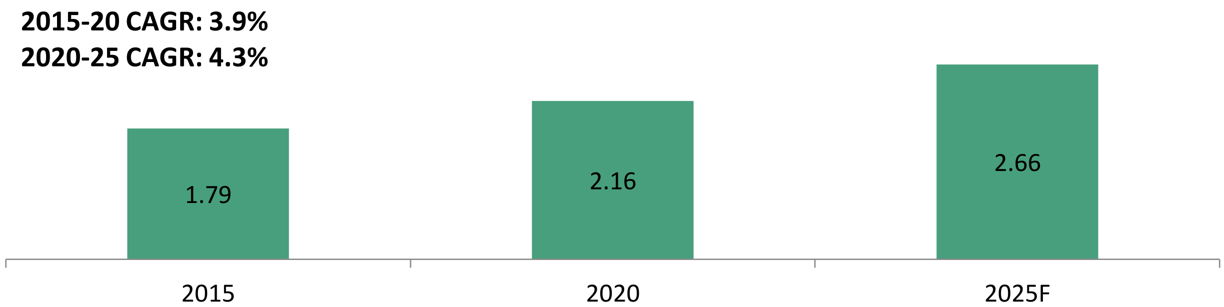
OVERVIEW OF THE INDIA AGROCHEMICALS INDUSTRY

Value of the Indian crop protection chemicals market (domestic consumption)

According to the India Brand Equity Foundation report 2019 and the F&S Report, India was ranked fourth globally in the production of agrochemicals (crop protection chemicals/ pesticides) in 2019, followed by the United States, Japan and China. According to the F&S

Report, the value of the Indian crop protection chemicals domestic market (defined as the crop protection chemicals consumed in India to meet domestic demand) grew at a CAGR of 3.9% from US$1.8 billion in 2015 to US$2.16 billion in 2020, and is expected to grow at a CAGR of 4.00% from US$2.2 billion in 2020 to US$2.66 billion in 2025.

Value of Indian crop protection chemicals domestic market (in US$ billion)



Source: Frost & Sullivan Primary Research & Analysis; F&S Report

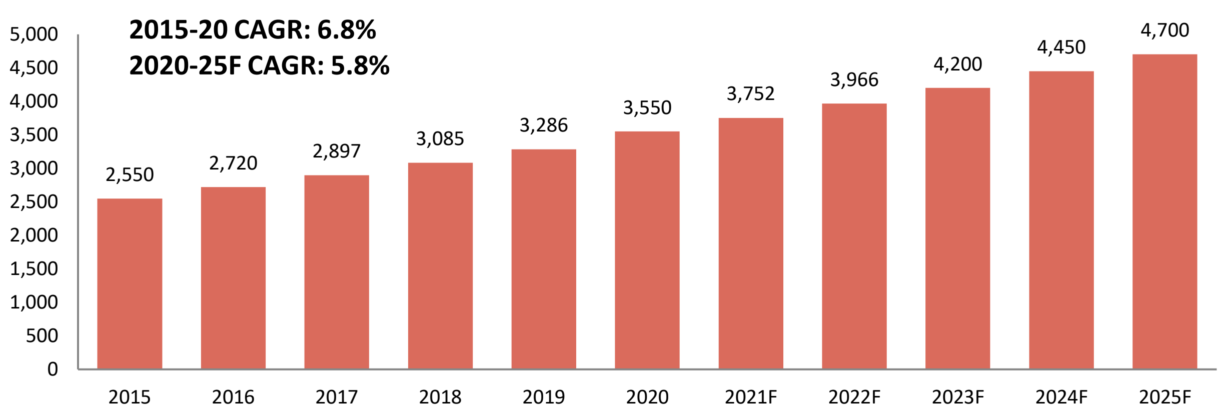
Overview of Agrochemicals Active Ingredients

Methoxyfenozide

Methoxyfenozide is a new specific benzoyl hydrazide insecticide for insect growth regulation. Methoxyfenozide belongs to the moult accelerating compounds (MAC) class. The MAC products are relatively slow in action, however they possess good residual activity and, since they are active on specific pests such as beet armyworm, they offer potential in mixture use and in IPM programmes.

Methoxyfenozide is mainly used in vegetables and farmland to control lepidopteran pests on vegetables (melons and fruit), apples, corn, cotton, grapes, kiwi, walnuts, flowers, beets, tea and field crops (rice, sorghum and soybean).

Global Methoxyfenozide Industry size (metric tons), 2015-2025F



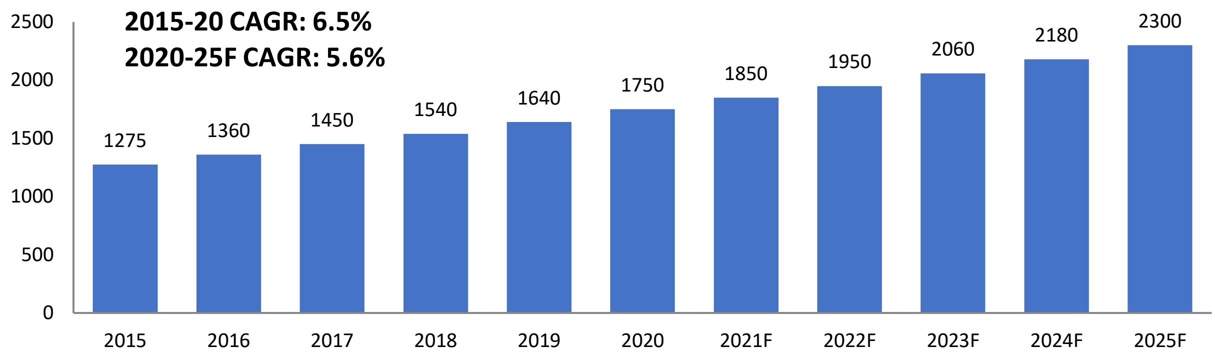
Source: F&S Report: Frost & Sullivan Primary Research & Analysis

Intermediate Requirement – MMBC

3-methoxy-2-methoxybenzoyl chloride ("MMBC") is a key intermediate for manufacturing methoxyfenozide. Nearly 500 kilograms of MMBC is required for producing 1,000 kilograms of methoxyfenozide.

The global market of MMBC was around 1,750 metric tons in 2020 and is expected to grow at nearly 5.6% during 2020-25.

Global MMBC Industry size (metric tons), 2015-2025F



Source: F&S Report: Frost & Sullivan Primary Research & Analysis; MMBC market is arrived at using its consumption of approximately 0.5 kg/kg for Methoxyfenozide

The key global manufacturers of MMBC include WeylChem US, Aether Industries, Jiangsu Kefeite Biochemistry Technology Ltd By Share Ltd.

WeylChem US produced close to 1,150 metric tons of MMBC in 2020, accounting for approximately 66% of the global market. In calendar year 2020, Aether Industries Limited is the second largest manufacturer of MMBC in the world, with 14% market share in terms of production volume, and it is also the only manufacturer of MMBC in India. Calendar year 2020 was the first year of commercial production of MMBC for Aether Industries Limited, producing around 238 metric tons. According to the F&S Report based on Frost & Sullivan Primary Research, the global market shares of other major manufacturers of MMBC (other than Aether Industries Limited) in calendar year 2020 are set forth below:

Name of company	Production range	Global market share percentage
Global players (fragmented supplier base)	1,500-1,540 MT	84%-88%

Source: F&S Report: Frost & Sullivan Primary Research & Analysis

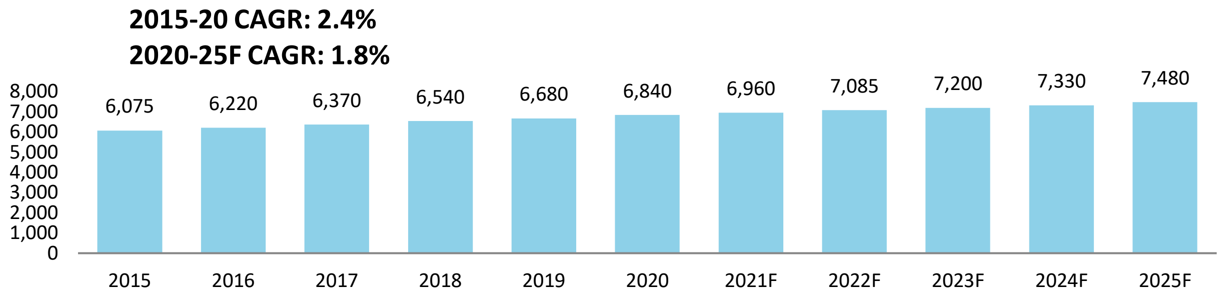
For the twelve months ended December 31, 2021, Aether Industries Limited produced 247 metric tons of MMBC, according to the F&S Report. Aether Industries Limited deploys Grignard chemistry and carbon dioxide coupling chemistry as the chemistry core competencies and continuous reaction technology and high vacuum fractional distillation technology as the technology core competencies for this product. The remaining key players in the global MMBC market are Chinese manufacturers which in aggregate accounted for approximately 20% of the global market in 2020.

Bifenthrin

Bifenthrin belongs to the broad-spectrum pyrethroid that benefits from activity against certain mite species. Originally launched in 1986 under the brand name Talstar, bifenthrin is now FMC's most commercially significant insecticide. This novel pyrethroid is used to control a broad range of insect pests including whitefly, insect larvae and mites. The initial focus was on cotton, however fruit & vegetable usage has now overtaken cotton. The product is also applied in a broad range of other crops, including soybean, maize, rice and oilseed rape. In addition to crop outlets, bifenthrin also finds significant usage in a range of non-crop markets, including lawn and home & garden to control a variety of insect pests, as well as usage in the termite control sector.

The global market for Bifenthrin was around 6,840 metric tons in 2020. Bifenthrin from FMC experienced strong growth in the early 2000s, mainly due to new registrations, mixture formulations and growth in non-crop sectors, including termite control. This led to a growth of nearly 2.4% historically till 2020. However, increasing generic competition slowed value growth and the growth in the product is expected to be around 1.8% in near future.

Global Bifenthrin Industry size (metric tons), 2015-2025F



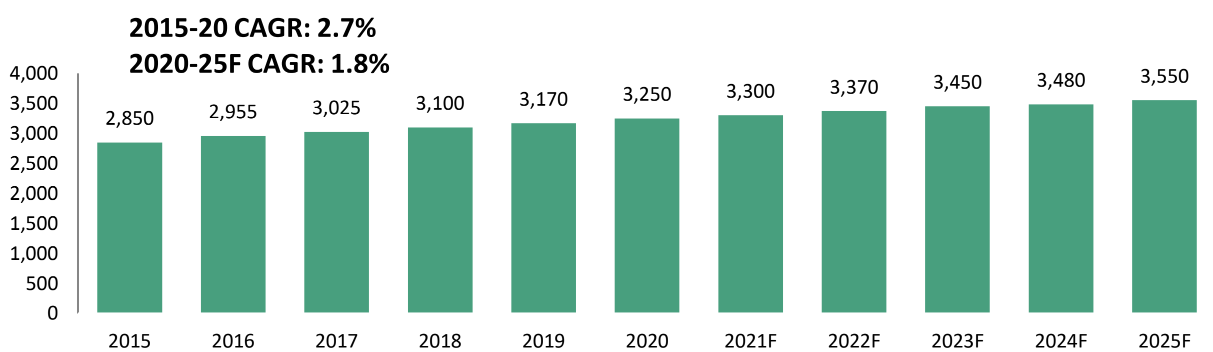
Source: F&S Report: Frost & Sullivan Primary Research & Analysis

***BFA** – Intermediate Requirement – BFA*

Bifenthrin Alcohol (BFA) is the key intermediate for manufacturing of bifenthrin. Nearly 475 kilograms of BFA is required to produce 1,000 kilograms of bifenthrin.

The global market of the intermediate was around 3,250 metric tons in 2020 and is expected to grow at 1.8% during 2020-25

Global Bifenthrin Alcohol Industry size (metric tons), 2015-2025F



Source: F&S Report: Frost & Sullivan Primary Research & Analysis; Bifenthrin market is arrived at using its consumption of approximately 0.48 kg/kg for Bifenthrin

Aether Industries Limited is the only manufacturer of Bifenthrin Alcohol in India. Aether Industries Limited started commercial production of BFA in August 2021 and currently has a production capacity of 480 metric tons per annum. For the twelve months ended December 31, 2021, Aether Industries Limited produced 144 metric tons of Bifenthrin Alcohol, according to the F&S Report. The company deploys Grignard chemistry and coupling chemistry as the key chemistry competencies and continuous reaction technology and high vacuum fractional distillation technology as the key technology competencies for this product.

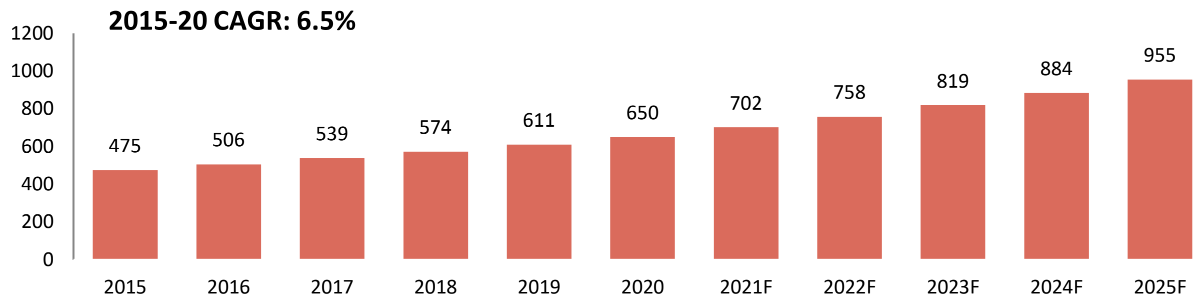
Globally, the market is crowded with Chinese players providing the intermediate like Changzhou Booming Crop Science Co., Hefeng Agro Co. Ltd., Jiangsu Chunjiangruntian Agrochemical Co., Ltd., Jiangsu Huifeng Agrochemical Co., Ltd and more. Chinese players are major suppliers for India Agrochemical companies. India imported nearly 1,100 metric tons of bifenthrin alcohol in 2020-21. In calendar year 2020, the Chinese players produced 2,750-2,790 MT of BFA, accounting for approximately 85% to 86% of the global market share for BFA, while other global players produced 460-500 MT of BFA, accounting for the remaining 14% to 15%.

Overview of Delta-Valerolactone

δ-Valerolactone ("**DVL**"), a lactone, is a versatile intermediate with a variety of applications. It is used as a chemical intermediate in production of polyesters. DVL is used in the synthesis of an acid chloride which is subsequently utilised as a building block in active ingredients. Δ-valerolactone is used as an intermediate in the production of coatings, dispersants and as a comonomer for polymerization with ε-caprolactone, which is responsible for the lowering of the melting point of the resulting copolymer or oligomer. Additionally, δ-valerolactone is used for the preparation of the homopolymer poly-δ-valerolactone.

Due to its good application, flexibility, lower biological toxicity, easy polymerization and ability to increase the viscosity of coatings and other characteristics, delta-valerolactone is widely used in polyesters, polyurethanes, special solvents, and coatings.

Global Delta-Valerolactone Industry size (metric tons), 2015-2025F



Source: F&S Report: Frost & Sullivan Primary Research & Analysis

Globally, BASF is the largest manufacturer accounting for nearly 65% - 70% of the market in 2019, according to the F&S Report.

According to the F&S Report, Aether Industries Limited is the only manufacturer of DVL in India. According to the F&S report, Aether Industries Limited produced nearly 84 metric tonnes of DVL in calendar year 2020. According to the F&S Report, the Company accounted for 13% of the global DVL market in calendar year 2020. According to the F&S Report based on Frost & Sullivan Primary Research, the global market shares of other major manufacturers of DVL (other than Aether Industries Limited) in calendar year 2020 are set forth below:

Name of company	Production range	Global market share percentage
Chinese players (fragmented supplier base)	560-570 MT	86% to 88%

Source: F&S Report: Frost & Sullivan Primary Research & Analysis

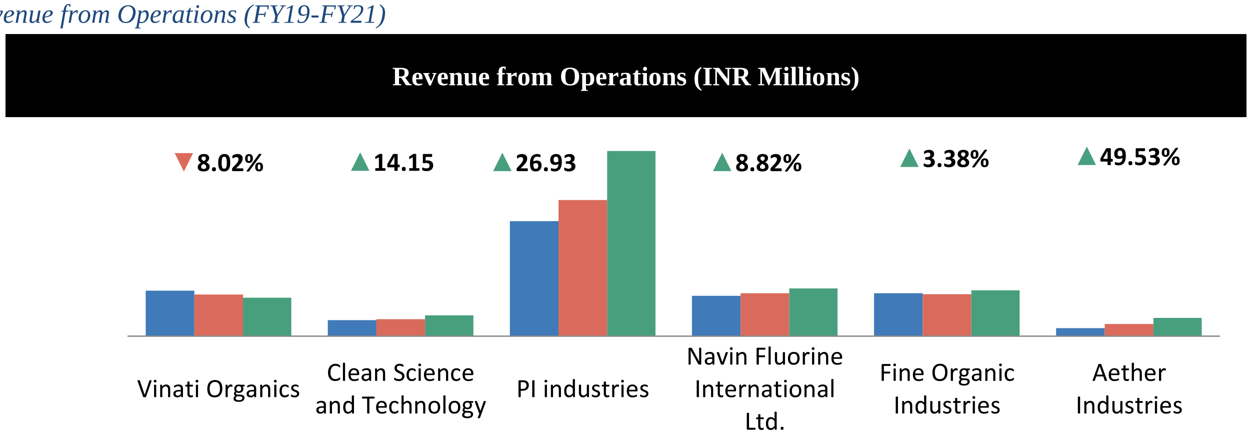
For the twelve months ended December 31, 2021, Aether Industries Limited produced 148 metric tons of DVL. The company deploys heterogeneous catalysis as the chemistry core competency and continuous reaction technology, fixed bed reaction technology, gas phase reaction technology, and high vacuum fractional distillation as the technology core competencies for this product.

Apart from BASF and Aether Industries Limited, other manufacturers of DVL are mainly Chinese companies. One of the leading Chinese manufacturers is Changzhou Jintan Hengxin Chemical Co., Ltd. (aka. Changzhou Jintan Hengxin Institute of Chemistry), which produces approximately 50 to 60 metric tons of DVL on an annual basis, according to the F&S Report.

OVERVIEW OF FINANCIAL PERFORMANCE OF KEY PLAYERS

According to the F&S Report, certain top players in the Indian specialty chemicals industry include Vinati Organics, Clean Science and Technology, PI industries, Navin Fluorine International Ltd., Fine Organic Industries and Aether Industries Limited. Certain performance indicators of these companies are set out below.

Revenue from Operations (FY19-FY21)



	Vinati Organics	Clean Science and Technology	PI industries	Navin Fluorine International Ltd.	Fine Organic Industries	Aether Industries
FY19	11,279.24	3,932.70	28,409.00	9,959.37	10,603.33	2,011.80
FY20	10,288.70	4,193.00	33,665.00	10,615.53	10,380.80	3,018.06
FY21	9,542.58	5,124.28	45,770.00	11,793.93	11,332.10	4,498.16

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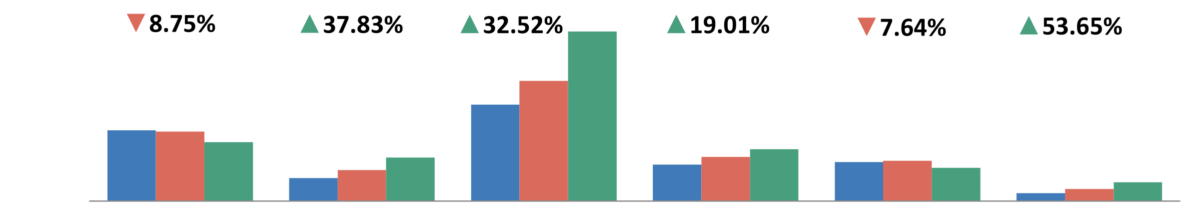
Growth of Revenue from Operations – CAGR% (FY19-FY21)

	Vinati Organics	Clean Science and Technology	PI Industries	Navin Fluorine	Fine Organics	Aether Industries
FY19-FY21	-8.02%	14.15%	26.93%	8.82%	3.38%	49.53%

Source: F&S Report

EBITDA (FY19-FY21)

EBITDA (INR Millions)



	Vinati Organics	Clean Science and Technology	PI industries	Navin Fluorine International Ltd.	Fine Organic Industries	Aether Industries
FY19	4,233.99	1,363.09	5,764.00	2,183.56	2,335.96	475.07
FY20	4,139.36	1,852.86	7,178.00	2,634.85	2,404.73	717.56
FY21	3,525.26	2,589.54	10,122.00	3,092.83	1,992.55	1,121.59

Source: F&S Report

Growth of EBITDA – CAGR% (FY19-FY21)

	Vinati Organics	Clean Science and Technology	PI Industries	Navin Fluorine	Fine Organics	Aether Industries
FY19-FY21	-8.75%	37.83%	32.52%	19.01%	-7.64%	53.65%

Source: F&S Report
Note: EBITDA excludes other income

EBITDA Margin (FY19-FY21)

EBITDA Margin (%)

	Vinati Organics	Clean Science and Technology	PI Industries	Navin Fluorine	Fine Organics	Aether Industries
FY19	37.54%	34.66%	20.29%	21.92%	22.03%	23.61%
FY20	40.23%	44.19%	21.32%	24.82%	23.17%	23.78%
FY21	36.94%	50.53%	22.11%	26.22%	17.58%	24.93%

Source: F&S Report
Note: EBITDA margin = EBITDA / Revenue from operations

PAT Margin (FY19-FY21)

PAT Margin (%)

	Vinati Organics	Clean Science and Technology	PI Industries	Navin Fluorine	Fine Organics	Aether Industries
FY19	24.39%	24.14%	14.14%	14.47%	12.61%	11.48%
FY20	31.09%	32.46%	13.37%	37.32%	15.57%	13.15%
FY21	27.48%	36.87%	15.70%	20.46%	10.46%	15.67%

Source: F&S Report
Note: PAT margin = profit after tax / total income

ROCE (FY19-FY21)

ROCE (%)						
	Vinati Organics	Clean Science and Technology	PI Industries	Navin Fluorine	Fine Organics	Aether Industries
FY19	41.48%	65.95%	23.08%	22.42%	42.88%	25.16%
FY21	22.80%	82.73%	25.59%	26.30%	29.07%	28.50%
Delta	-1,867 BPS	1,677 BPS	250 BPS	387 BPS	-1,380 BPS	334 BPS

Source: F&S Report
Note: ROCE = EBIT / (total equity + current borrowings + non-current borrowings – current investments – cash and cash equivalents – bank balances other than cash & cash equivalents)

ROE (FY19-FY21)

ROE (%)						
	Vinati Organics	Clean Science and Technology	PI Industries	Navin Fluorine	Fine Organics	Aether Industries
FY19	26.90%	35.90%	18.00%	13.90%	27.20%	60.54%
FY21	17.40%	36.80%	13.80%	15.80%	16.40%	40.79%
Delta	-950 BPS	90 BPS	-420 BPS	190 BPS	-1080 BPS	-1975 BPS

Source: F&S Report
Note: ROE = PAT / total equity

CAGR% (FY19-FY21)

Particulars	Vinati Organics	Clean Science and Technology	PI Industries	Navin Flourine	Fine Organic	Aether Industries
Operating EBIDTA	-8.75%	37.83%	32.52%	19.01%	-7.64%	53.65%
RoE	-19.41%	1.20%	-12.25%	6.47%	-22.28%	-17.91%
RoCE	-25.85%	12.00%	5.29%	8.31%	-17.66%	6.44%
RoA	-18.60%	2.44%	-3.73%	12.04%	-22.22%	21.49%
Operating Expenses	-7.58%	-0.68%	25.47%	5.78%	6.29%	48.23%
PAT	-2.36%	42.53%	34.16%	31.42%	-6.02%	74.58%

Source: F&S Report
Notes:
Operating EBITDA excludes other income;
ROE defined as PAT/ Total Equity;

RoCE defined as EBIT/(total equity + current borrowings + non-current borrowings - current investments - cash & cash equivalents- bank balances other than cash & cash equivalents);
RoA defined as PAT/Average Total Assets; Operating Expenses excludes other income, finance cost and depreciation.

Various Financial Ratios (FY21)

Company	**Aether Industries**			**Clean Science and Tech.**		
Particulars	**FY19**	**FY20**	**FY21**	**FY19**	**FY20**	**FY21**
Current ratio i. e., liquidity ratio	1.08	1.25	1.44	4.68	3.34	3.87
Quick Ratio	0.63	0.63	0.91	3.77	2.88	3.35
Average collection period	67.60	67.22	69.46	46.14	56.41	51.31
Average payment period	60.59	71.48	68.14	51.96	81.94	142.77
Days cash on Hand, All Sources	2.92	5.51	28.92	120.29	221.78	356.69
Cash Ratio	0.01	0.03	0.17	2.06	1.85	2.43
Net Working Capital	73.42	299.33	716.22	1,514.67	1,800.54	2,931.61
Debt equity ratio	3.27	2.18	1.19	0.01	0.01	0.00
Capital Gearing Ratio	0.31	0.46	0.84	104.80	127.17	1,630.41
Debt Service Coverage Ratio	2.12	3.50	4.50	237.91	825.09	86.55
Interest Service Coverage Ratio	3.88	6.82	8.94	3,796.24	1,417.95	2,656.58
Total Assets Turnover Ratio	1.10	1.19	1.19	1.40	1.11	0.94
Fixed Assets Turnover Ratio	1.92	2.38	2.48	3.35	2.80	2.50
Net Capital Turnover Ratio	27.40	10.08	6.28	2.60	2.33	1.75
Current Assets Turnover Ratio	2.68	2.47	2.36	2.48	1.87	1.57
Inventory Turnover Ratio (days)	132.70	168.15	134.06	78.93	97.69	156.24
Receivables Turnover Ratio (days)	87.44	76.16	87.83	55.47	60.79	52.87
Payables Turnover Ratio (days)	75.97	89.66	75.59	47.63	100.79	180.13
EPS	2.48	4.24	7.36	9.19	13.15	18.68
NAV	4.09	8.31	15.69	14.26	16.95	27.60

Company	**Navin Flourine International Ltd.**			**Vinati Organics Ltd.**		
Particulars	**FY19**	**FY20**	**FY21**	**FY19**	**FY20**	**FY21**
Current ratio i. e., liquidity ratio	3.17	4.39	5.91	5.98	7.22	6.17
Quick Ratio	2.54	3.48	5.01	4.82	6.05	4.91
Average collection period	60.16	67.26	77.77	68.13	79.07	91.60
Average payment period	63.90	63.92	69.80	40.51	46.31	57.45
Days cash on Hand, All Sources	105.66	157.58	263.05	51.88	166.55	113.85
Cash Ratio	1.27	1.95	3.11	1.13	3.16	1.77
Net Working Capital	3,838.93	6,004.98	9,927.41	4,422.76	5,535.53	5,487.61
Debt equity ratio	0.00	0.00	0.00	0.00	0.00	0.00
Capital Gearing Ratio	259.17	1,006.54	648.63	285.44	3,687.05	762.18
Debt Service Coverage Ratio	35.17	72.87	165.05	25.17	85.49	3,514.78
Interest Service Coverage Ratio	230.77	113.02	152.60	419.51	348.70	1,460.43
Total Assets Turnover Ratio	0.78	0.72	0.67	1.02	0.77	0.60
Fixed Assets Turnover Ratio	2.17	2.05	1.96	1.95	1.42	1.20
Net Capital Turnover Ratio	2.59	1.77	1.19	2.55	1.86	1.74
Current Assets Turnover Ratio	1.77	1.59	1.20	2.27	1.75	1.47
Inventory Turnover Ratio (days)	85.71	119.11	122.50	64.22	79.33	114.81
Receivables Turnover Ratio (days)	63.30	75.12	87.93	78.95	71.58	106.03
Payables Turnover Ratio (days)	54.64	74.01	72.96	36.92	47.39	62.49
EPS	30.15	82.53	51.96	54.97	32.48	26.20
NAV	77.64	121.29	200.31	86.06	53.86	53.39

Company	**PI Industries**			**Fine Organic Industries Ltd.**		

Particulars	FY19	FY20	FY21	FY19	FY20	FY21
Current ratio i. e., liquidity ratio	2.08	1.83	3.57	4.12	3.91	4.01
Quick Ratio	1.42	1.09	2.73	3.25	2.91	3.18
Average collection period	76.36	70.92	53.83	52.00	50.62	47.24
Average payment period	103.80	109.05	98.44	34.35	41.67	48.50
Days cash on Hand, All Sources	32.34	36.55	236.43	48.11	95.71	102.40
Cash Ratio	0.25	0.24	1.85	1.04	1.57	1.71
Net Working Capital	8,794.00	9,082.00	32,361.00	3,287.96	3,901.66	4,654.08
Debt equity ratio	0.02	0.20	0.06	0.26	0.20	0.12
Capital Gearing Ratio	19.12	4.46	13.44	3.90	4.96	8.20
Debt Service Coverage Ratio	11.32	13.38	3.16	47.45	26.56	4.34
Interest Service Coverage Ratio	96.68	34.18	29.70	117.53	42.69	24.88
Total Assets Turnover Ratio	0.98	0.91	0.82	1.72	1.34	1.26
Fixed Assets Turnover Ratio	2.31	1.93	2.01	6.97	5.10	5.10
Net Capital Turnover Ratio	3.23	3.71	1.41	3.22	2.66	2.43
Current Assets Turnover Ratio	1.80	1.82	1.41	2.76	2.17	1.98
Inventory Turnover Ratio (days)	126.13	157.84	149.45	49.73	78.88	63.44
Receivables Turnover Ratio (days)	85.03	70.09	56.10	53.57	46.53	51.85
Payables Turnover Ratio (days)	120.79	116.75	113.00	29.74	51.37	53.89
EPS	29.73	33.08	49.89	44.44	53.75	39.25
NAV	63.73	65.79	218.67	107.24	127.26	151.80

Source: F&S Report

Notes:

I. *Current ratio i. e., liquidity ratio defined as Current Assets/Current Liabilities*
II. *Quick Ratio defined as (Current Assets-Inventory - Prepaid Expenses)/Current Liabilities*
III. *Average collection period defined as (Avg. Trade Receivables/Revenue from Operations)*365*
IV. *Average payment period defined as (Avg. Trade Payables/Cost of materials consumed incl. changes in Inventory and Stock in Trade)*365*
V. *Days cash on Hand, All Sources defined as (Cash & cash equivalents +Current investments +bank balances other than cash & cash equivalents)/(Operating Expenses plus Finance Costs/365))*
VI. *Cash Ratio defined as (Cash & cash equivalents+ Current investments+ bank balances other than cash & cash equivalents) /Current Liabilities*
VII. *Net Working Capital defined as Total Current Assets- Total Current Liabilities*
VIII. *Debt equity ratio defined as Total Debt/Total Equity*
IX. *Capital Gearing Ratio defined as Total Equity/Total Debt*
X. *Debt Service Coverage Ratio defined as (PAT+ Depreciation & amortisation+ Finance Costs)/(Interest Cost+ Principal Repayments)*
XI. *Interest Service Coverage Ratio defined as EBIT/Finance Costs*
XII. *Total Assets Turnover Ratio defined as Revenue from Operations/Average Total Assets*
XIII. *Fixed Assets Turnover Ratio defined as Revenue from Operations/Average Net Fixed Assets (incl. CWIP)*
XIV. *Net Capital Turnover Ratio defined as Revenue from Operations/Net Working capital*
XV. *Current Assets Turnover Ratio defined as Revenue from Operations/Average Current Assets*
XVI. *Inventory Turnover Ratio(days) defined as (Closing Inventory/Cost of materials consumed incl changes in Inventory and Stock in Trade) *365*
XVII. *Receivables Turnover Ratio(days) defined as (Closing Receivables/Revenue from Operations) *365*
XVIII. *Payables Turnover Ratio(days) defined as (Closing Payables/Cost of materials consumed incl changes in Inventory and Stock in Trade) *365*
XIX. *EPS defined as PAT/Weighted average number of equity shares outstanding during the year (incl. ESOP shares)*

NAV defined as Total Equity/Weighted average number of equity shares outstanding during the year (incl. ESOP shares

OUR BUSINESS

Some of the information contained in this section, including information with respect to our strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section titled "Forward-Looking Statements" on page 17 of this Prospectus for a discussion of the risks and uncertainties related to those statements and also the section titled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 25 and 282, respectively of this Prospectus for a discussion of certain factors that may affect our business, results of operations and financial condition. The actual results of the Company may differ materially from those expressed in or implied by these forward-looking statements.

Unless otherwise indicated, industry and market data used in this section has been derived from the F&S Report which has been commissioned and purchased by us in connection with the Offer. Unless otherwise indicated, all operational, industry and other related information derived from the F&S Report and included herein with respect to any particular year, refers to such information for the relevant year.

EBITDA, EBITDA margin, PAT Margin, Capital Employed, ROCE, ROE, Debt, Net Debt, Net Worth, Return on Net Worth, Net Asset Value per Equity Share, Debt-Equity Ratio, Net Debt-EBITDA Ratio, Pre-Tax Operating Profit, Net Tangible Assets, Monetary Assets and % of Monetary Assets to Net Tangible Assets and other non-GAAP financial information are presented for supplemental informational purposes only, have limitations as analytical tools and should not be considered in isolation or as a substitute for financial information presented in accordance with Ind AS. Non-GAAP financial information may be different from similarly-titled non-GAAP measures used by other companies. In addition, they are subject to inherent limitations as they reflect the exercise of judgment by management about which expenses and income are excluded or included in determining these Non-GAAP financial measures. A reconciliation of these non-GAAP measures are provided in the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 282 for each Non-GAAP financial measure to the most directly comparable financial measure prepared in accordance with Ind AS. Investors are encouraged to review the related Ind AS financial measures and the reconciliation of Non-GAAP financial measures to their most directly comparable Ind AS financial measures and to not rely on any single financial measure to evaluate our business.

Our fiscal year ends on March 31 of each year, and references to a particular fiscal period are to the twelve months ended March 31 of that year. Unless otherwise indicated or the context otherwise requires, the financial information for Fiscals 2019, 2020 and 2021, and for the nine months ended December 31, 2020 and 2021 included herein is derived from the Restated Financial Statements. For further information, see "Restated Financial Statements" on page 219.

Unless otherwise stated, references in this section to "the Company", "our Company", "we", "us", and "our" are to Aether Industries Limited.

Overview

Aether Industries Limited is a speciality chemical manufacturer in India focused on producing advanced intermediates and speciality chemicals involving complex and differentiated chemistry and technology core competencies. Our business was started in 2013 with a vision to create a niche in the global chemical industry with a creative approach towards chemistry, technology and systems that would lead to sustainable growth. In the first phase of our development through Fiscal 2017, we focused on building our team and infrastructure and on our R&D centred around building our core competencies. Our revenue generation operations commenced with our second phase in Fiscal 2017. We are one of the fastest growing specialty chemical companies in India, growing at a CAGR of nearly 49.5% between Fiscal 2019 and Fiscal 2021. *(Source: F&S Report, May 2022).*

We are focused on the core competencies model of chemistry and technology. According to Frost & Sullivan, chemical companies usually have a single or a couple of chemistry competencies for their entire product portfolio; however, we have eight chemistry competencies to use for our wide array of products, which enables us to cater to niche and advanced intermediate requirements of a wider range of end-products and applications. (*Source: F&S Report, May 2022).* All these competencies have been developed in-house, which is one of the core strengths of our R&D team. (*Source: F&S Report, May 2022).* We have three business models under which we operate: (i) large scale manufacturing of our own intermediates and speciality chemicals; (ii) contract research and manufacturing services ("CRAMS") and (iii) contract/exclusive manufacturing. In the view of Frost & Sullivan, we are among the few Indian specialty chemical companies to have successfully launched these three separate business models in just 5 years into commercial manufacturing. *(Source: F&S Report, May 2022).* We have a nuanced criteria for choosing our products based on their chemical complexity, niche applications, limited competition, scalability and commercial potential. Using these criteria, we developed, and continue to develop, advanced intermediates and speciality chemicals products having applications in the pharmaceutical, agrochemicals, material science, coatings, high performance photography, additives and oil & gas segments of the chemicals industry.

As of March 31, 2022, our product portfolio comprised over 25 products. According to Frost & Sullivan, in CY2020, we were the sole manufacturer in India of 4MEP, MMBC, T2E, OTBN, NODG, DVL and Bifenthrin Alcohol. *(Source: F&S Report, May 2022)*. According to the F&S Report based on Frost & Sullivan Primary Research & Analysis, in 2020, we were (i) the biggest manufacturer of 4MEP globally in terms of production volume and the only manufacturer of this product in India, (ii) the largest manufacturer of HEEP in India and globally in terms of production volume, (iii) the largest manufacturer of NODG globally in terms of production volume and the only manufacturer of this product in India and (iv) the biggest manufacturer of T2E globally in terms of production volume and the only manufacturer of this product in India. *(Source: F&S Report, May 2022)*. The table below sets forth eight of our products, their applications, our market position globally and in India for such products, and their launch year.

Product	Launch Year	Industry Application	Global market size (MT) (1)	Quantity manufactured by the Company (MT) (1)	Company Global Market Position (1)	Company India Market Position (1)	Competitors Market Position (1)
4-(2-Methoxyethyl) Phenol **(4MEP)**	December 2016	Metoprolol Succinate / Metoprolol Tatrate	1,750	488	Largest manufacturer in the world (with 28% market share in CY2020)	Only manufacturer in India	Otsuka Chemicals, (26% to 27%) Apeloa Pharma (24% to 26%) Other Chinese players (22% to 26%)
3-Methoxy-2-Methylbenzoyl Chloride (**MMBC**) **(2)**	September 2019	Methoxyfenozide	1,750	238	Second largest manufacturer in the world (with 14% market share in CY2020)	Only manufacturer in India	Other Chinese players (84% to 88%)
Thiophene-2-Ethanol **(T2E)**	May 2017	Clopidogrel, Ticlopidine APIs	780	392	Largest manufacturer in the world (with nearly 50% market share in CY2020)	Only manufacturer in India	Other Chinese players (rest of the market)
Ortho Tolyl Benzo Nitrile / 4'-Methyl-2-Cyanobiphynyl **(OTBN)**	December 2018	Valsartan, Telmisartan, Olmesartan, Losartan, Candisartan APIs	5,045	417	Market share of 8% in CY2020	Only manufacturer in India	Other Chinese players (rest of the market)
N-Octyl-D-Glucamine / 1-Deoxy-1-(Octylamino)-D-Glucitol (**NODG**)	July 2015	Naproxen, Dexketoprofen APIs	845	396	Largest manufacturer in the world (with 47% market share in CY2020)	Only manufacturer in India	Other Chinese players (rest of the market)
1-2-(2Hydroxyethoxy) Ethyl Piperazine **(HEEP)**	May 2018	Quetiapine, Hydroxyzine APIs	500	171	Largest manufacturer in the world (with 34% market share in CY2020)	One of three major manufacturers, only manufacturer in India to be back-integrated into key raw material	Allchem Lifescience Ltd, (15% to 16%) Ami Organics (16% to 17%) Other Chinese players (30% to 36%)
Delta-Valerolactone (**DVL**)	September 2016	Coating additive, speciality monomer, electronic chemical	650	84	Second largest manufacturer in the world (with 13% market share in CY 2020)	Only manufacturer in India	Other Chinese players (86% to 88%)
Bifenthrin Alcohol	August 2021	Bifenthrin	3,250	144	Negligible	Only manufacturer in India	Chinese players and other global players (rest of the market)

Notes:
(1) Market share and market size by volumes as of CY 2020. *(Source: F&S Report, May 2022)*.
(2) MMBC is manufactured for our customer as part of our contract/exclusive manufacturing business.

We specialize in products based on an intricate marriage of complex chemistry and technology core competencies. Examples of our chemistry core competencies include Grignards, organolithium and other organometallic chemistry, ethylene oxide and isobutylene chemistry, hydrogenation, catalysis (homogeneous /heterogeneous), cross coupling chemistry and metathesis/polymerization chemistry. Examples of our technology core 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 our focus on core competencies, we have developed a chemistry and technology oriented sales vision, as compared to a product and industry oriented sales vision. Our focus on core competencies also helps us mitigate risk because our business strategy and R&D are not targeted to any specific product, customer, region, or industry. Aether is one of the few companies in the specialty chemicals sector in India who has deployed continuous reaction technology as a core technology competency at all stages (R&D, Pilot Plant and large scale manufacturing). (*Source: F&S Report, May 2022)*.

Our products are advanced intermediates and speciality chemicals that occupy a position in the chemical industry value chain between commodity chemicals and final actives and formulations with our products more closely aligned to the higher value range, further away from the commodities and closer towards the final active part of the value chain. According to Frost & Sullivan, the Company is known to have strong market positioning in complex intermediates where global competition is intense. *(Source: F&S Report, May 2022).* The average selling price of all our products in Fiscal 2021 was ₹1,440.85 per kg. In the view of Frost & Sullivan, we have been focused on developing high value products, which has resulted in the average selling price of all our products to grow by a CAGR of 6.8% between Fiscal 2016 and Fiscal 2021. *(Source: F&S Report, May 2022).* Our products find application in a number of therapeutic segments in the pharmaceuticals industry including hypertension, anti-platelet, anti-psychotic, anti-histamine and nonsteroidal anti-inflammatory drugs ("NSAIDs"). Our products also find application in various other industries like agrochemicals, material science, coatings, high performance photography, additives and oil & gas. Most of our advanced intermediates and speciality chemicals product portfolio was developed for the first time in India and constitute 100% import substitution, thus furthering the "Make in India" or "Atma-Nirbharta" campaigns of the Government of India. (*Source: F&S Report, May 2022).* For example, 4MEP, T2E, MMBC, NODG, BFA, OTBN and DVL were 100% imported into India from China four years ago and now we are selling these products to Chinese customers.

Our sales of our advanced intermediates and speciality chemicals products are predominantly conducted on a business-to-business basis both in India and internationally. A majority of our products are exported internationally, and we export products to 18 countries, including Italy, Spain, Germany, the United States and other parts of the world. Our revenue from exports (including deemed exports) have grown at CAGR of 58.56% from ₹1,000.90 million in Fiscal 2019 to ₹2,516.62 million in Fiscal 2021. Our revenue from exports (including deemed exports) was ₹2,804.23 million in the nine months ended December 31, 2021.

The foundation of our Company is our in-house research and development capabilities. Our chemistry and technology core competencies and all of our products have been developed by our own R&D team, scaled up in our Pilot Plant, and launched into production employing in-house design and engineering. We have dedicated in-house R&D Facilities and Pilot Plant at our Manufacturing Facility 1 at Sachin in Surat, Gujarat. Our R&D Facilities are dedicated to the development of our pipeline and next generation products as well as to our CRAMS customers. As of March 31, 2022, we had a specialized R&D team of 164 scientists and engineers including 92 scientists (with PhDs or Master of Science degrees) and 72 chemical engineers. Our R&D Facilities are equipped with laboratories engaged in process development, process innovation and technology development, which assists us in pursuing efficiencies from the initial conceptualization up to commercialization of a product. According to Frost & Sullivan, our strategic investments in R&D have been critical to our success and a differentiating factor for us to attain leading market positions for certain products. (*Source: F&S Report, May 2022).*

We have a state-of-art Pilot Plant, which is a vital link between R&D and large scale production. According to F&S based on Frost & Sullivan Primary Research & Analysis, we have one of the largest pilot plants in the world with 106 reactors installed, for both batch as well as continuous reaction technology. (Source: F&S Report, May 2022). 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. A unique section in our Pilot Plant is the continuous reaction and flow technology plant, housing pilot scale equipment for continuous and flow reactors and continuous downstream equipment.

We have two sites at Sachin in Surat (Gujarat, India). Our Manufacturing Facility 1 is an approximately 3,500 square meters facility including our R&D Facilities, our analytical sciences laboratories, our Pilot Plant, our CRAMS facility and our hydrogenation facility. Our Manufacturing Facility 2 spans approximately 10,500 square meters and acts as a large scale manufacturing facility with an installed capacity of 6,096 MT per annum (for our solvent recovery plant ("SRP Plant"): 13,140 MT) distributed among three buildings that host 16 production streams (and one SRP Plant Stream), as of December 31, 2021. Our capacity utilization was 77.47% (for our SRP Plant: 77.64%) in the nine months ended December 31, 2021 and 73.75% (for our SRP Plant: 72.99%) in Fiscal 2021, as certified by Dr. Pankaj Jayantilal Gandhi, Chartered Engineer. See "—Manufacturing and R&D Facilities" below. Each facility is equipped to function independently, with its own quality department, effluent treatment plant and warehouse. Both facilities are automated with DCS process automation, and built to the high standards of technology, engineering and automation. Both the facilities are in close proximity to the Hazira Port and JNPT Port, which helps us save freight costs for our exports. Our operations at Manufacturing Facility 2 have ISO 9001: 2015, ISO 14001:2015, ISO 45001:2018, ISMS 27001:2013 and Indian GMP certification. In August 2021, we commenced construction of a new manufacturing facility (Manufacturing Facility 3) at Sachin, and we are in discussions with relevant authorities for acquiring land for the fourth manufacturing facility (Manufacturing Facility 4) at Sachin. Both these new Manufacturing Facilities (3 and 4) will be within a short distance from our Manufacturing Facility 2.

In addition to R&D and manufacturing of own products (our first business model), we engage in contract research and manufacturing services (CRAMS, our second business model), which are the research and technology services that customers outsource to us and include contract research, pilot scale-up services, contract manufacturing, FTE services, technology development and 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. The CRAMS business model also enables our dialogue and discussions with the top technical teams and leadership (CTOs), technical directors and technical vice presidents) of our customers, opening up future contract manufacturing opportunities. (*Source: F&S Report, May 2022)*. Examples, of our CRAMS customers include Adama Group (Israel), Altana AG (Germany), Aramco Performance Materials LLC (US/Saudi Arabia), Austin Chemical Company, Inc. (USA), Avient Corporation (UK), BYK Chemie GmbH (Germany), Connect Chemicals (Germany), Milliken & Co. (USA), Polaroid Film BV (Netherlands), and Tosoh FineChem Corporation (Japan). In the nine months ended December 31, 2021 and Fiscal 2021, Fiscal 2020 and in Fiscal 2019, revenues from our CRAMS business constituted 7.44%, 7.98%, 9.10% and 10.02%, respectively, of our revenues from operations.

We also manufacture our customer's products under contractual/exclusive supply agreements (our third business model). These customer contracts are both short-term and long-term and involve both exclusive and non-exclusive arrangements. In the nine months ended December 31, 2021 and Fiscal 2021, Fiscal 2020 and in Fiscal 2019, revenues from our contract manufacturing business constituted 21.85%, 19.38%, 7.39% and 16.09%, respectively, of our revenues from operations. Examples of our contractual / exclusive manufacturing customers include Adama Group (Israel), Altana AG (Germany), BYK Chemie GmbH (Germany), Divis Laboratories Limited (India), Dr. Reddy's Laboratories Limited (India), Moehs Iberica SL (Spain) and UPL Limited (India).

We have a target driven approach to environment, health, sustainability and safety measures. Our manufacturing principles and technologies aim to adhere to the core tenets of "green" chemistry or sustainable chemistry. Principles of energy saving and conservation, atom economy and the 4R strategy (reduce / recover / recycle / reuse) are fundamental in our manufacturing designs and engineering. As part of environment and sustainability efforts, we have installed a 100 KLPD in-house zero liquid discharge ("ZLD") plant. We undertake hazard and operability studies before commencing commercial production of new products and look to mitigate hazards through process improvement, engineering controls, process automation (including our DCS Systems), mock drills, developing safe operating procedures and comprehensive training of our employees.

Our Company is led by our Promoters comprising of our Managing Director Ashwin Jayantilal Desai, and our executive (whole time) Directors, Purnima Ashwin Desai, Rohan Ashwin Desai and Dr. Aman Ashvin Desai, who have a combined experience of over 125 years in the chemical industry. Each of our Promoters is a career-technocrat and is actively involved in the critical aspects of our business, including R&D, process and plant engineering, finance and marketing. Our senior management team is also experienced in the chemicals industry. The majority of our management team has spent more than 5 years each with our Company. Our senior management personnel include career-technocrats such as Dr. James Ringer (experience at Dow Chemical Company, USA), Raymond Paul Roach (experience at Dow Chemical Company) and Dr. Norbert Flüggen (experience at Altana Management Services, USA).

Key financial information

Certain key financial information is set forth below

(*in* ₹ millions *except percentages and ratios*)

Particulars	**Nine months ended December 31, 2021**	**Nine months ended December 31, 2020**	**Fiscal 2021**	**Fiscal 2020**	**Fiscal 2019**
Total income	4,493.15	3,373.41	4,537.89	3,037.81	2,032.77
EBITDA	1,259.95	765.42	1,121.59	717.56	475.07
EBITDA Margin	28.47%	22.91%	24.93%	23.78%	23.61%
Profit after tax (PAT)	829.06	482.54	711.19	399.56	233.35
PAT Margin	18.45%	14.30%	15.67%	13.15%	11.48%
Capital expenditure	489.86	636.44	800.62	452.22	120.28
Capital expenditure capitalized	563.53	792.69	985.41	308.75	127.68
Net cash from operating activities	24.04	318.89	231.96	176.95	227.44
ROCE*	21.72%	20.74%	28.50%	26.07%	25.16%

ROE*	23.01%	38.18%	40.79%	51.04%	60.54%
Debt / Equity Ratio	0.65	1.63	1.19	2.18	3.27
Net debt / EBITDA Ratio*	2.39	3.53	2.43	3.05	3.51

** Not annualized for the periods ended December 31, 2020 and December 31, 2021*

For information about Non-GAAP financial measures as set forth in the table above, see *"Management's Discussion and Analysis of Financial Condition and Results of Operations -Non-GAAP Financial Measures"* on page 282.

Our Market Opportunity

Growth in Speciality Chemical Market

From CY 2020 to CY 2025, the global chemicals market is expected to grow at a CAGR of 6.2% and the India Speciality chemical market at a CAGR of 11.2%, according to Frost & Sullivan. The following table sets forth the size in CY2020 of the global chemical market, global speciality chemical market and the Indian speciality chemical market and the expected growth in these markets forecast for CY 2025.

Market	CY2020	CY2025	CAGR (2020-25)
Global Chemical Market	$5,027 billion	$6,780 billion	6.2%
Global Speciality chemical Market	$ 847 billion	$1,090 billion	5.2%
India Speciality Chemical Market	$ 87 billion	$ 148 billion	11.2%

(Source: F&S Report, May 2022).

Factors driving the growth in India Speciality Chemicals market

The following factors are driving growth in the India Speciality Chemicals market

1. Growth in End Use Segments:

According to Frost & Sullivan, the speciality chemicals industry in India is driven by both domestic consumption and exports. The following table sets forth the size in CY2020 of the segments of the Indian speciality chemical market and the expected growth in these segments forecast for CY 2025.

India Speciality Chemical Segments	2020	2025 (forecast)
	(US$ billions)	
Agrochemicals & Fertilizers	32.9	53.3
Pharmaceuticals (API)	16.6	28.5
Dyes & Pigments	8.7	14.9
Paints & Coatings Additives	6.4	10.7
Home Care Ingredients	3.8	6.5
Personal Care Ingredients	1.3	2.2
Textile Chemicals	2.2	3.5
Water Treatment Chemicals	2.1	3.1
Flavours & Fragrances Ingredients	2.0	3.7
Construction/Infratech Chemicals	1.2	1.9
Others	9.9	19.5
Total	87.0	148.0

(Source: F&S Report, May 2022).

2. Supply chain de-risking driven by China downturn:

China's chemicals market has seen a downturn in recent years due to various factors:

- Stringent environmental norms: The tightening of environmental protection norms in China since January 2015 resulting in increase in operating costs, closure and relocation of manufacturing facilities. (*Source: F&S Report, May 2022*).

- Rising cost of labour: The labour cost (hourly cost of compensation) in China was lower than that of India till 2007. However, over 2005-2015, the average labour cost in China increased nearly 19-20% CAGR, against 4-5% CAGR in India. *(Source: F&S Report, May 2022).*

While these may not be permanent trends, these will involve significant costs of production for Chinese companies, enabling India to significantly strengthen its position in the global supply chain and position itself as a viable alternative for global players seeking a de-risked supply chain while containing sourcing costs. (*Source: F&S Report, May 2022).* In the view of Frost & Sullivan, the recent downturn observed in China's speciality chemicals industry is serving as an opportunity for Indian manufacturers, who have now gained a cost advantage over their Chinese counterparts. *(Source: F&S Report, May 2022).*

3. Accelerated R&D and capital expenditure

According to Frost & Sullivan, India's R&D capabilities and the long-term relationships that the domestic Indian chemical companies have forged with their customers are key to the growth of Indian chemical companies. *(Source: F&S Report, May 2022).* The sector is witnessing accelerated capital expenditure and investment in R&D to build product development capabilities In the view of Frost & Sullivan, increased R&D allows these companies to step up their position in the speciality chemicals manufacturing value chain to become 'proprietary chemical producers'. *(Source: F&S Report, May 2022).*For Fiscal 2018 to Fiscal 2020, the aggregate capital expenditure of the Indian speciality chemicals considered by Frost & Sullivan in its F&S Report, was 1.5 times greater than their expenditure during Fiscal 2016 to Fiscal 2018. *(Source: F&S Report, May 2022).* Frost & Sullivan reports that these companies had made capital expenditure for capacity augmentation and/or product development based on their end-user industries. *(Source: F&S Report, May 2022).*

4. GoI support and "Make in India" campaign

The GoI is providing support through production linked incentive ("PLI") scheme and other schemes and competitive tax rates. *(Source: F&S Report, May 2022).* Further, the "Make in India" campaign is also expected to add impetus to the emergence of India as a manufacturing hub for the chemicals industry in the medium term. Through incentives, subsidies and grants under this campaign, Indian companies could gain further ground as companies would want to reduce dependence on China after the COVID-19 pandemic and shift their supply chains. *(Source: F&S Report, May 2022).*

5. Availability of feedstock

The GoI has encouraged companies to set up capacities in petroleum, chemicals, and petroleum investment regions (PCPIR) by demarcating special zones to aggregate feedstock demand. PCPIRs are expected to boost chemicals manufacturing, to the extent that it is sufficient to meet domestic as well as export demand. *(Source: F&S Report, May 2022).*

6. Improved safety, health and environment compliance and "Green chemistry"

India like China also faces threat from environmental concerns and tighter norms. Over the years, Indian chemicals players have invested in safety health & environment (SH&E) to ensure plant sustainability. *(Source: F&S Report, May 2022).* Further, the concept of Green Chemistry in India is evolving. The rising pollution and harm caused to water bodies owing to emission of harmful chemical effluents into water is leading to rise in concern of sustainability. The pharmaceutical industry was among the first to embrace Green Chemistry for its significant potential to reduce costs and risks. *(Source: F&S Report, May 2022).*

For further details, see "*Industry Overview*" on page 115.

Our Strengths

We believe that we possess a number of competitive strengths, which enable us to successfully execute our business strategies, including the following:

Differentiated portfolio of market-leading products

We are focused on producing advanced intermediates and speciality chemicals involving complex and differentiated chemistry and technology core competencies. Our products have applications across a wide spectrum of uses in the pharmaceutical, agrochemicals, material science, coatings, high performance photography, additives and oil & gas industries. As of March 31, 2022, our product portfolio comprised over 25 products which were marketed to 34 global customers in 18 countries and to 154 domestic customers.

The complexity of our products relative to commodity chemicals and regular specialty chemicals is illustrated in the table below.

Parameter	Commodity Chemicals	Regular Speciality Chemicals	Aether Speciality Chemicals
Blended Price	₹200-300 per kg	₹400-700 per kg	₹1,440.85 per kg
Steps in the manufacturing process	1-2	2-3	4-10
Number of stages remaining until active ingredients are produced	n-10 and upwards	n-6 till n-9	n-1 till n-6

(*Source: F&S Report, May 2022).*

We believe that we have achieved these market positions by developing differentiated processes with the use of our core competencies of chemistry and technology, which helped us to optimize the use of conventional raw materials, improve atom economy, enhance yields, reduce effluent discharge, and increase cost competitiveness. The specialty chemicals industry observes a high barrier to new entrants due to the complex production processes requiring high level of technical knowledge and R&D capabilities. *(Source: F&S Report, May 2022).* Based on the technical expertise we have developed over the years, we are able to carry out these processes for our products at global scale capacities

According to Frost & Sullivan, in CY2020, we were the sole manufacturer in India of 4MEP, MMBC, T2E, OTBN, NODG, DVL and Bifenthrin Alcohol. (*Source: F&S Report, May 2022).* According to the F&S Report based on Frost & Sullivan Primary Research & Analysis, in 2020, we were (i) the biggest manufacturer of 4MEP globally in terms of production volume and the only manufacturer of this product in India, (ii) the largest manufacturer of HEEP in India and globally in terms of production volume, (iii) the largest manufacturer of NODG globally in terms of production volume and the only manufacturer of this product in India and (iv) the biggest manufacturer of T2E globally in terms of production volume and the only manufacturer of this product in India. (Source: F&S Report, May 2022). In the view of Frost & Sullivan, we have emerged as one the biggest competition and threats to the Chinese specialty chemical companies for these products and the Chinese customers are dependent on Aether for supplying these products. (*Source: F&S Report, May 2022).*

The table below sets forth 8 of our products, their application, our market position globally and in India, product launch year, the volume we produced in Fiscal 2021, the CAGR of our volume from that product from Fiscal 2019 to Fiscal 2021 and our revenue in Fiscal 2021.

Product	**Industry Application**	**Company Global Market Position (1)**	**Company India Market Position (1)**	**Launch Month / Year**	**Volume Sold in Fiscal 2021** (MT)	**Volume CAGR** (Fiscal 2019 to Fiscal 2021)	**Revenue Fiscal 2021 (₹** millions)
4-(2-Methoxyethyl) Phenol **(4MEP)**	Metoprolol Succinate / Metoprolol Tatrate	Largest manufacturer in the world (with 28% market share in CY2020)	Only manufacturer in India	December 2016	611.89	44.15%	944.35
3-Methoxy-2-Methylbenzoyl Chloride (**MMBC**) **(2)**	Methoxyfenozide	Second largest manufacturer in the world (with 14% market share in CY2020)	Only manufacturer in India	September 2019	237.60	N/A	694.76
Thiophene-2-Ethanol **(T2E)**	Clopidogrel, Ticlopidine APIs	Largest manufacturer in the world (with nearly 50% market share in CY2020)	Only manufacturer in India	May 2017	420.27	20.18%	682.15
Ortho Tolyl Benzo Nitrile / 4’-Methyl-2-Cyanobiphynyl **(OTBN)**	Valsartan, Telmisartan, Olmesartan, Losartan, Candisartan APIs	Market share of 8% in CY2020	Only manufacturer in India	December 2018	404.56	291.52%	620.76

Product	Industry Application	Company Global Market Position (1)	Company India Market Position (1)	Launch Month / Year	Volume Sold in Fiscal 2021 (MT)	Volume CAGR (Fiscal 2019 to Fiscal 2021)	Revenue Fiscal 2021 (₹ millions)
N-Octyl-D-Glucamine / 1-Deoxy-1-(Octylamino)-D-Glucitol (**NODG**)	Naproxen, Dexketoprofen APIs	Largest manufacturer in the world (with 46% market share in CY2020)	Only manufacturer in India	July 2015	451.97	23.20%	289.86
1-2-(2Hydroxyethoxy) Ethyl Piperazine **(HEEP)**	Quetiapine, Hydroxyzine APIs	Largest manufacturer in the world (with 34% market share in CY2020)	One of three major manufacturers, only manufacturer in India to be back-integrated into key raw material	May 2018	156.08	53.08%	182.43
Delta-Valerolactone (**DVL**)	Coating additive, speciality monomer, electronic chemical	Second largest manufacturer in the world (with 13% market share in CY 2020)	Only manufacturer in India	September 2016	112.41	46.17%	124.80
Bifenthrin Alcohol	Bifenthrin	Negligible	Only manufacturer in India	August 2021	N/A	N/A	N/A

Notes:
(1) Market share by volumes as of CY 2020. (Source: F&S Report, May 2022).
(2) MMBC is manufactured for our customer as part of our contract/exclusive manufacturing business model.

Focus on R&D to leverage our core competencies of chemistry and technology

The foundation of our Company is our in-house research and development capabilities. According to Frost & Sullivan, our strategic investments in R&D have been critical to our success and a differentiating factor for us to attain leading market positions for certain products. *(Source: F&S Report, May 2022)*. Based on the technical expertise we have developed over the years, we are able to carry out innovative processes at global scale, which, according to Frost & Sullivan, is difficult to replicate, and creates significant barriers for new entrants. *(Source: F&S Report, May 2022).*

Our chemistry and technology core competencies and all of our products have been developed by our own R&D team, scaled up in our Pilot Plant, and launched into production with in-house design and engineering. According to Frost & Sullivan, our in-house development (without the support from any clients for R&D) showcases our innovation and research strength, and our expertise in a large range of chemistries and technologies has allowed us to support a number of end use industries. (*Source: F&S Report, May 2022)*. Examples of our chemistry core competencies include Grignards, organolithium and other organometallic chemistry, ethylene oxide and isobutylene chemistry, hydrogenation, catalysis (homogeneous /heterogeneous), cross coupling chemistry and metathesis/polymerization chemistry. According to the F&S Report based on Frost & Sullivan Primary Research & Analysis, for the competency of tandem Grignard and ethylene oxide chemistry, we have been a pioneer in Indian specialty chemicals markets, given that there are currently only four Indian companies in tandem Grignard and six Indian companies in ethylene oxide. (Source: F&S Report, May 2022). Examples of our technology core competencies include continuous reaction technology, high pressure reaction technology, fixed bed reaction technology, DCS process automation and high vacuum distillation technology (wiped film/short path). We are one of the few companies in the specialty chemicals sector who has deployed continuous reaction technology as a core technology competency at all stages (R&D, Pilot Plant and large scale manufacturing). (*Source: F&S Report, May 2022)*.

Our R&D Facilities are dedicated to the development of our pipeline and next generation products as well as to our CRAMS customers. As of March 31, 2022, we had a specialized R&D team of 164 scientists and engineers including 92 scientists (with PhDs or Master of Science degrees) and 72 chemical engineers. Our R&D laboratories are fitted with modern synthesis equipment including fume hoods, lab scale continuous and flow reactors and advanced separation equipment. In addition, our R&D labs are supplemented with modern analytical method development ("ADL") and quality control (QC) laboratories equipped with the entire suite of equipment necessary for modern organic chemistry research. We also 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. According to F&S based on Frost & Sullivan Primary Research & Analysis, we have one of the largest pilot plants in the world with 106 reactors installed, for both batch as well as continuous reaction technology. (Source: F&S Report, May 2022).

In the nine months ended December 31, 2021 and Fiscal 2021, Fiscal 2020 and Fiscal 2019, our expenditures (revenue and capital) incurred on research and development were ₹242.47 million, ₹192.83 million, ₹120.92 million and ₹52.91 million, respectively, which represented 5.40%, 4.25%, 3.98% and 2.60%, respectively, of our total income.

Long standing relationships with a diversified customer base

Our customers include over 160 multinational, global, regional and local companies. As of March 31, 2022, our product portfolio was sold to 34 global customers in 18 countries and to 154 domestic customers. Selected examples of our clientele are provided below:

- Indian pharmaceutical companies like Aarti Drugs Limited, Alembic Pharmaceuticals Limited, Atul Bioscience Limited, Cadila Healthcare Limited, CTX Lifeciences Private Limited, Divis Laboratories Limited, Dr. Reddy's Laboratories Limited, Granules India Limited, Hetero Drugs Limited, IOL Chemicals, Ind-Swift Laboratories Limited, IPCA Laboratories Limited, Laurus Labs Limited, Lupin Limited, Mankind Pharma, Neogen Chemicals Limited, and MSN Laboratories Private Limited.
- Global generic pharmaceutical companies like Moehs Iberica SL (Spain), Microsin SRL (Romania) and Dr. Reddy's Laboratories (India and Mexico).
- Global and domestic generic agrochemical companies like Adama Agan (Israel), Adama Makhteshim (Israel), Deccan Fine Chemicals (India) and UPL Limited (India).
- Global oil and gas companies like Aramco Performance Materials LLC (US/Saudi Arabia).
- Global material science / coatings / speciality polymer companies like Altana AG (Germany), BYK Chemie GmbH (Germany) and Avient Corporation (UK).
- Global textile companies like Milliken & Co. (USA).
- Global high performance photography companies like Polaroid Film BV (Netherlands).
- Global marketing and trading companies like Austin Chemical Company, Inc. (USA) and Connect Chemicals GmbH (Germany).
- Global and domestic chemical companies like Ningbo Noubai Pharmaceutical Co. Ltd (China), Saurav Chemicals Limited (India), Neogen Chemicals Limited (India), and IOL Chemicals and Pharmaceuticals Limited (India).
- Global organometallic and halogenated chemistries company Tosoh FineChem Corporation (USA).

Of our revenue from operations in the nine months ended December 31, 2021 and Fiscal 2021, our largest customer contributed approximately 13.52% and 19.38%, respectively; our top 10 customers contributed approximately 55.76% and 56.23%, respectively; and our top 20 customers contributed 72.93% and 73.50%, respectively. We enjoy relationships in excess of 5 years with 7 out of our top ten customers. Our long-term relationships and ongoing active engagements with customers also allow us to plan our capital expenditure, enhance our ability to benefit from increasing economies of scale with stronger purchasing power for raw materials and a lower cost base. These enduring customer relationships also have helped us expand our product offerings and geographic reach. Of our revenue from operations in the nine months ended December 31, 2021 and Fiscal 2021, 57.32% and 57.82% were from India, 32.74% and 32.97% were from EU countries, 5.95% and 5.77% were from the North America (United States and Mexico), 3.49% and 2.92% were from Asia and 0.50% and 0.52% from the rest of the world. Our diversified global customer base assists us in reducing our geographic dependence, which helps in mitigating the effects of economic and industry-specific cycles.

Our customer engagements are dependent on us delivering quality products consistently. Our potential customers may require considerable amounts of time to approve us as suppliers to ensure that all their quality controls are met and that we meet all their requirements across a variety of jurisdictions and multiple regulators. Due to the resources involved in engaging with new suppliers, customers are less inclined to pursue alternate supply sources. This provides us with an advantage over new entrants that would need to make significant investments and endure a long gestation period with potential customers in order to effectively compete. In fact, in the past three fiscal years, our facilities were audited 57 times by 43 customers or their external consultants. Additionally, our CRAMS business model also enables our dialogue and discussions with the top technical teams and leadership (Chief Technology Officers ("CTOs"), technical directors and technical vice presidents) of our customers, leading to additional projects and products across our three business models.

In addition to producing quality products and fulfilling orders and projects on-time, our approach, staff and corporate culture are attractive to customers. For example,

- we offer our customers a one-stop-shop approach for the entire supply chain starting from paper research, contract research and lab process development (delivery of samples, gram scale, kg scale), pilot plant scale up and supply of customer sampling quantities, clinical and field trial quantities, and application testing quantities (100s kg scale to MT quantities), and finally commercial scale manufacturing and production quantities (100-1000s MT);
- we have skilled expertise and manpower in necessary scientific and engineering disciplines;
- we have "start-up" corporate culture that is ambitious and dynamic, and the average age of our staff is 31 years as of March 31, 2022;
- our core team and highest management is technical in nature, and experts in the areas of organic chemistry and chemical engineering;
- we focus on transparent communication and clean payment terms (LCs and PDCs); and
- we emphasize safe processes and inherently safe manufacturing, and sound QEHS principles.

Synergistic Business Models focused on Large Scale Manufacturing, CRAMS and Contract Manufacturing

We have three business models under which we operate: (i) large scale manufacturing of our own intermediates and speciality chemicals; (ii) CRAMS (contract research and manufacturing services) and (iii) contract / exclusive manufacturing. According to F&S, we are among the few Indian specialty chemical companies to have successfully launched these three separate business models in just 5 years into commercial manufacturing.*(Source: F&S Report, May 2022).*

These business models benefit from, and have synergies with, each other. For example, our customers to which we sell our own intermediates and speciality chemicals are also target customers for our CRAMS and contract manufacturing business models. Our CRAMS business allows us to work with innovative companies on cutting-edge new products with enhances our own R&D skill sets to develop our own products. Further, increasing our production through our contract manufacturing business allows us to benefit from larger scale production and negotiating better prices with our suppliers.

Automated manufacturing facilities utilizing advanced technologies and systems

Our manufacturing infrastructure, advanced technologies and automation are key growth drivers for our intermediates and speciality chemicals business. According to Frost & Sullivan, we have innovated the manufacturing process or product recipe for most of our products, thus making us leaders in many of our products. *(Source: F&S Report, May 2022).* We have two sites at Sachin in Surat. Our Manufacturing Facility 1 is an approximately 3,500 square meters facility including our R&D Facilities, our analytical sciences laboratories, our Pilot Plant, our CRAMS facility and our hydrogenation facility. Our Manufacturing Facility 2 spans approximately 10,500 square meters and acts as a large scale manufacturing facility with an installed capacity of 6,096 MT per annum (SRP Plant: 13,140 MT) distributed among three buildings that host 16 production streams (and one SRP Plant Stream), as of December 31, 2021. Our capacity utilization was 77.47% (SRP Plant: 77.64%) in the nine months ended December 31, 2021 and 73.75% (SRP Plant: 72.99%) in Fiscal 2021, as certified by Dr. Pankaj Jayantilal Gandhi, Chartered Engineer. See "—Manufacturing and R&D Facilities" below. Each of our facilities is equipped to function independently, with its own quality department, effluent treatment plant and warehouse. In addition, both the facilities are in close proximity to the Hazira Port and JNPT Port, which helps us save freight costs for our exports.

In August 2021, we commenced construction of a new manufacturing facility (Manufacturing Facility 3) at Sachin, and we are in discussions with relevant authorities for acquiring land for the fourth manufacturing facility (Manufacturing Facility 4) at Sachin. Both these new Manufacturing Facilities (3 and 4) will be within a short distance from our Manufacturing Facility 2.

Our facilities employ advanced technologies and systems such as

- Continuous Reaction Technology;
- Advanced Batch Reaction Technology;
- High Pressure Reaction Technology;
- Fixed Bed Reaction Technology (Liquid / Gas Phase);
- Cryogenic Reaction Technology;
- Distillation Technology (wiped film and short path); and
- Distillation Technology (high vacuum and fractional).

Additionally, our manufacturing facilities utilize DCS (distributed control system) for process automation. Our Pilot Plant and CRAMS operations use a Siemens PCS7 DCS and our manufacturing facilities use a Yokogawa Centum VP DCS. The automation brings reliability, reproducibility of product quality, reduces overhead costs, and brings inherent safety by mitigating exposure to human error and industrial accidents. We have procured various certifications for our operations such as 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;
• Pilot scale-up services;
• Contract manufacturing;
• Full time equivalent (FTE) services;
• Technology development; and
• Process development and optimisation

We have a state-of-art Pilot Plant, which gives us a competitive advantage in attracting CRAMS customers. 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 reactors 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.

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 addition, our CRAMS business model also enables our dialogue and discussions with the top technical teams and leadership (Chief Technology Officers ("CTOs"), technical directors and technical vice presidents) of our customers, opening up future contract manufacturing opportunities. (*Source: F&S Report, May 2022).*

Examples, of our CRAMS customer include the Adama Group (Israel), Altana AG (Germany), Aramco Performance Materials LLC (US/Saudi Arabia). Austin Chemical Company, Inc. (USA), Avient Corporation (UK), BYK Chemie GmbH (Germany), Connect Chemicals (Germany), Milliken & Co. (USA), Polaroid Film BV (Netherlands) and Tosoh FineChem (Japan).

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 nine months ended December 31, 2021 and Fiscal 2021, Fiscal 2020 and in Fiscal 2019, revenues from our contract manufacturing business constituted 21.85%, 19.38%, 7.39% and 16.09%, respectively, of our revenues from operations. For example, we manufacture MMBC under a contractual supply agreement. MMBC was our second largest product by revenue (₹694.76 million) and fifth largest- by volume (237.60 MT) in Fiscal 2021.

Examples of our contractual / exclusive manufacturing customers include the Adama Group (Israel), Altana AG (Germany), BYK Chemie GmbH (Germany), Divis Laboratories Limited (India), Dr. Reddy's Laboratories Limited (India), Moehs Iberica SL (Spain) and UPL Limited (India).

Examples of CRAMS Business Model leading to Contract Manufacturing / Exclusive Manufacturing Business Model

For example, our production of Delta-valerolactone (DVL), started as a CRAMS project for a major multinational client in the material sciences and coatings industrial sector. The customer had a single source for DVL and wanted to develop alternate sources. The customer initiated a CRAMS project with us. Within 12 months, we successfully developed the process to make DVL, utilizing our core chemistry competency of heterogeneous catalysis and our core technology competencies of continuous reaction technology, fixed bed reactor technology, and gas phase reaction technology. The CRAMS project ended with successful process development and the supply of a pilot scale quantity of 400 kg to the customer which was successfully validated. Subsequently, the customer has entered into a multi-year supply agreement with us for the commercial manufacturing and supply of the product of approximately 100 to 200 MT per year.

Another example of a CRAMS project converted into large scale manufacturing opportunity is a polymer product that started as a CRAMS project with a major multinational oil & gas company. The project started as a small research and CRAMS project, which we successfully executed utilizing our core chemistry competencies of inert atmosphere chemistry, homogeneous catalysis, and polymerization chemistry as well as Aether's core technology competencies of high pressure reaction technology and continuous distillation technology / wiped film distillation technology. The entire CRAMS project was executed in less than 6 months, and subsequently this customer has entered into a 5 year supply agreement with us for large scale production and supply of the polymer product of approximately 100 MT per year.

Focus on Quality, Environment, Health and Safety (QEHS)

Our business is focused on sustainability by emphasizing on quality, environment, health and safety.

We believe that maintaining a high standard of quality for our products is critical to our brand and continued growth. Across our manufacturing facilities, we have put in place quality systems that cover all areas of our business processes from manufacturing, supply chain to product delivery to ensure consistent quality, efficacy and safety of products. Our products adhere to global quality standards. Our products go through various quality checks at various stages including random sampling check and quality check internally. Many of our key customers have audited and approved our facilities and manufacturing processes in the past, which ensures that the regulator and our customers are able to confirm the continuance of quality of our facility and processes. In the past three fiscal years, our facilities were audited 57 times by 43 customers or their external consultants. In addition, our facilities have received certificate of ISO 14001 for Environment and ISO 45001 for Occupational Safety and ISO 27000 certification. As of March 31, 2022, we had an environmental team of 43 employees (constituting 5.98% of our workforce) and a safety team of 30 employees (constituting 4.17% of our workforce).

We are mindful of the potential impact of our activities on the local environment and have set stringent environmental standards, which meet regulatory requirements, and often exceed them. Our manufacturing principles and technologies embody the core tenets of "green" chemistry or sustainable chemistry. Principles of energy saving and conservation, atom economy and the 4R strategy (reduce / recover / recycle / reuse) are fundamental in our manufacturing designs and engineering. In addition, by employing cleaner chemistries, semi-continuous or continuous reaction technologies, and automation in the process, we distinguish our processes from conventional processes and optimize use of non-toxic raw materials, resulting in lower effluent generation. Further, as part of environment and sustainability efforts, we have installed a 100 KLPD in-house zero liquid discharge (ZLD) plant, which includes primary and secondary chemical neutralization, triple stage multiple effect evaporator (MEE), multiple mechanical vapor recompression (MVR) plants, multiple agitated thin film evaporators, multiple reverse osmosis (RO) plants and a soil biotechnology platform with ozonation.

To provide sustainable power for our operations, we have issued a purchase order for the construction of a 16 MW solar power generation plant at Sarod Village, Bharuch District, Gujarat to provide electricity to our current operational two manufacturing facilities and our Proposed Greenfield project, which is expected to be operational in Fiscal 2023. We expect to incur approximately ₹ 651.59 million (including taxes) towards capital expenditure for this solar power project which will be financed by our internal accruals.

We prioritize the health and safety of our employees and undertake several initiatives to promote employee health and quality of life. We work to ensure a safe and healthy workplace and provide our employees with the benefits, resources and flexibility to maintain and improve their wellness. We undertake hazard and operability studies before commencing commercial production of new products. We have an in-house developed and engineered mobile application to assist coordination of our human resources, safety and emergencies. We also have a dedicated team of safety personnel including firemen, safety marshals and safety engineers. In addition, we have installed comprehensive safety equipment including firefighting and safety systems including 700 m^3 fire hydrant water storage, 271 m^3 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. We have also taken the initiative of combining the fire hydrant water resources of 3 other neighbouring chemical companies to create a combined fire hydrant water reserve of over 2,000 m^3 capacity, available for the use of all participating companies.

Strong and consistent financial performance

In the short period of 9 years of incorporation and 5 years into commercial manufacturing, we have reached revenue of over₹4,500 million in Fiscal 2021. We have built our business organically and have demonstrated consistent growth in terms of revenues and profitability. We are one of the fastest growing specialty chemical companies in India, growing at a CAGR of nearly 49.53% between Fiscal 2019 and Fiscal 2021. *(Source: F&S Report, May 2022).* Our revenue from operations have increased at a CAGR of 49.53% from ₹2,011.80 million in Fiscal 2019 to ₹4,498.16 million in Fiscal 2021. Our revenue from operations was ₹4,425.44 million in the nine months ended December 31, 2021. Our revenue from exports (including deemed exports) have grown at CAGR of 58.56% from ₹1,009.90 million in Fiscal 2019 to ₹2,516.62 million in Fiscal 2021. Our revenue from exports (including deemed exports) was ₹2,804.23 million in the nine months ended December 31, 2021.

In the nine months ended of December 31, 2021 and Fiscal 2021, Fiscal 2020 and Fiscal 2019, our EBITDA was ₹1,259.95 million, ₹1,121.59 million, ₹717.56 million, and ₹475.07 million, respectively, while our EBITDA margins in the same periods were 28.47%, 24.93%, 23.78% and 23.61%, respectively. Our profit after tax was ₹829.06 million, ₹711.19 million, ₹399.56 million, and ₹233.35 million, respectively, for the nine months ended of December 31, 2021 and Fiscal 2021, Fiscal 2020 and Fiscal 2019, respectively, while our profit after tax margins were 18.45%, 15.67%, 13.15% and 11.48%, respectively, for the same periods.

During the nine months ended of December 31, 2021 and Fiscal 2021, Fiscal 2020 and Fiscal 2019, our ROCE was 21.72% (not annualised), 28.50%, 26.07% and 25.16%, respectively, and our ROE was 23.01% (not annualized), 40.79%, 51.04% and 60.54%, respectively.

Experienced Promoters and Senior Management with extensive domain knowledge

We are led by our Promoters comprising our Managing Director, Ashwin Jayantilal Desai, and our executive directors Purnima Ashwin Desai, Rohan Ashwin Desai and Dr. Aman Ashvin Desai, who have a combined experience of over 125 years in the chemical industry. Each of our Promoters is a career-technocrat and is actively involved in the critical aspects of our business, including R&D, process and plant engineering, finance and marketing. All four Promoters are involved in the day-to-day management of the Company.

Ashwin Jayantilal Desai is the founding Promoter and Managing Director of our Company. He holds a bachelor's degree in Chemical Engineering from Institute of Chemical Technology (ICT, formerly University Department of Chemical Technology, UDCT, Mumbai, 1974). He has been awarded the Distinguished Alumnus award by Indian Chemical Technology in 2010. Ashwin Desai has multiple decades of experience in the speciality chemical industry. Prior to incorporation of our Company, he was the founding member of Anupam Rasayan India Limited and was the Chairman and Managing Director of Anupam Rasayan India Limited till 2013. At Aether, Ashvin Desai is responsible for creating the overall vision of the Company and is actively involved in all techno-commercial departments. He focuses on innovative chemical engineering solutions for our R&D, pilot plant, and production processes and is also responsible for leading our core competency in continuous reaction and flow technology.

Dr. Aman Ashvin Desai is a Promoter and Whole Time Director of our Company. He is responsible for our R&D, pilot plant, and production operations, new projects, and technical business development, and has over 10 years of experience in the speciality chemical industry. Dr. Aman Desai has a bachelor's degree in Chemical Technology (Intermediates and Dyestuff Technology, 2005) from Institute of Chemical Technology (ICT formerly known as University Department of Chemical Technology, UDCT, Mumbai) and has a Doctor of Philosophy (PhD) degree in Organic Chemistry (with a focus on chiral chemistry) from Michigan State University (USA, 2010). His doctoral research was published in the Journal of the American Chemical Society and was also featured in Chemical & Engineering News in 2010. Dr. Aman Desai was then a Project Leader in the Process Development group in Core R&D Headquarters at the Dow Chemical Company in Michigan (USA).Dr. Aman Desai has been awarded the UAA Young Achiever Award in 2018 in the UAA-ICT Distinguished Alumnus Awards from his alma mater, Institute of Chemical Technology, Mumbai, India. He is the author/co-author of 25 publications in international technical journals. He has been granted 4 patents in USA, and these patents are published worldwide.

Rohan Ashwin Desai is a Promoter and Whole Time Director of our Company. He has extensive experience in the speciality chemical industry and looks after the entire commercial portfolio (including sales, finance, strategic procurements, human resources and systems) of our Company. He has a bachelor's degree from South Gujarat University of Commerce (SPB VNSG), Surat. Rohan Desai was previously a Director at Anupam Rasayan India Limited until 2013.

Purnima Ashwin Desai is a Promoter and Whole Time 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. She has a bachelor's degree from the University of Delhi (1975). Purnima Desai was previously a Director at Anupam Rasayan India Limited until 2013.

We 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 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.

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 Dr. James Ringer, Raymond Paul Roach and Dr. Norbert Flüggen.

Dr. James Ringer is the Business Development Leader (Americas) of our Company. He holds a bachelor's degree in Science from Purdue University (USA) and a Doctor of Philosophy (PhD) degree in Organic Chemistry from University of Wisconsin (USA). He has multiple decades of experience in the chemical industry. Before joining our Company, Dr. James Ringer has previously worked at The

Dow Chemical Company or its subsidiaries, for more than 30 years, in various positions including Director R&D, R&D Director II, and Leader R&D Director. He is the inventor / co-inventor on 22 patents granted in USA and published worldwide.

Raymond Paul Roach is the Business Development Leader (Americas) of our Company. He holds a bachelor's degree in Science and a master's degree in Chemical Engineering from the University of Pittsburgh (USA). He has multiple decades of experience in the chemical industry. Before joining our Company, Raymond Paul Roach has previously worked at The Dow Chemical Company (USA). Raymond Paul Roach is the inventor / co-inventor on 7 patents granted in USA and published worldwide.

Dr. Norbert Flüggen is the Business Development Leader (Europe) of our Company. He holds a diploma in Physics and a Doctorate of Natural Sciences (PhD) degree from the University of Hannover (Germany). He has multiple decades of experience in the chemical industry. Before joining our Company, Dr. Norbert Flüggen has previously worked at with ALTANA, AG, Germany.

We believe that the experience, depth and diversity of our directors, management team and our Promoters have enabled our Company to be recognized as a leading speciality chemical manufacturer in India. Their industry experience enables us to anticipate and address market trends, manage and grow our operations, maintain and leverage customer relationships and respond to changes in customer preferences.

For further information on our Promoters, Directors and senior management team, please see the sections entitled "*Our Promoters and Promoter Group*" and "*Our Management*" on pages 212 and 196, respectively.

Our Strategies

Our key business strategies are set forth below.

Leverage our strong position in the speciality chemicals industry to capitalize on industry opportunities

From CY 2020 to CY 2025, the global chemicals market is expected to grow at a CAGR of 6.2% and the India Speciality chemical market at a CAGR of 11.2 %, according to Frost & Sullivan. This growth is expected to be led by sustained demand in the end-use customer segments for our intermediate and speciality chemical products or business, which are experiencing consumption-led growth in India and key global markets. For example, according to Frost & Sullivan, the agrochemicals and fertilizers speciality chemical segment in India is forecasted to grow from $32.9 billion in CY2020 to $53.3 billion in CY2025 and the pharmaceuticals speciality chemical segment in India is forecasted to grow from $16.6 billion to $28.5 billion in CY2025. *(Source: F&S Report, May 2022).*

China's speciality chemicals market has seen a downturn in recent years due to various factors. Most prominent amongst these are the recent environmental norms introduced by the Chinese Government, which have led to shutdown of a number of chemical plants. *(Source: F&S Report, May 2022).* The tightening of the environmental norms has resulted in increase in operating costs, closure and relocation of manufacturing facilities along with rising labor costs. While these may not be permanent trends, these will involve significant costs of production for Chinese companies, enabling India to significantly strengthen its position in the global supply chain and position itself as a viable alternative for global players seeking a de-risked supply chain while retaining sourcing costs. *(Source: F&S Report, May 2022).* In the view of Frost & Sullivan, the recent downturn observed in China's speciality chemicals industry is serving as an opportunity for Indian manufacturers, who have now gained a cost advantage over their Chinese counterparts. *(Source: F&S Report, May 2022).*

Due to our market leadership position in a number of speciality chemical product areas, we are well positioned to capitalize on these market opportunities. According to Frost & Sullivan, our revenue for our key products has grown much faster than the industry highlighting that we are able to take away market share from our competitors, which are mostly in China. *(Source: F&S Report, May 2022).* We benefit from our established relationships with multinational, regional and local customers. In particular, we propose to introduce new products with varied applications across industries. We aim to achieve this by leveraging our existing R&D capabilities, as well as by evaluating strategic acquisition opportunities. We also intend to capitalize on the growing demand for our products by expanding our manufacturing capacities and strengthening our sales and distribution network in existing markets and gaining access to newer markets. For example, we are committed to recruitment of advisers and consultants with a global pedigree, we have speaking engagements at international events & exhibitions, and we are increasing our local representative presence in major markets. Further, we aim to focus on high growth sectors and emerging trends in the speciality chemicals and our customers' end user industries. In this regard, we are witnessing significant opportunities to work with our customers to support them with new emerging trends in their industries. We also are looking to connect with existing and potential customers where we can support them with our CRAMS and contract / exclusive business models.

Expand our Product Portfolio and diversify into additional business segments

We plan to continue to expand our product portfolio both in line with our existing new competencies but also by adding new competencies. In the next three years, we expect to invest approximately ₹125 million towards R&D in the first year with an increasing trend of 30% to 35% in the next two years.

Set forth below are some of the key APIs for which we expect to launch advanced intermediate products in the next year during Fiscal 2022 and Fiscal 2023.

Planned for Fiscal 2022-23

- Dolutegravir (Antiretroviral to treat HIV/AIDS)
- Carbamazepine (Anti-epileptic)
- Oxcarbazepine (Anticonvulsant)
- Memantine (treats symptoms of Alzheimer's)
- Ambroxol (treatment of respiratory disease)

(Source: F&S Report, May 2022).

In addition, we intend to continue to add new core chemistry and technology competencies, which will lead to additional product line developments. For example, our R&D team is already evaluating the possibilities of adding fluorination as a core chemistry competency and photochemical reaction technology as a core technology competency.

We are also looking to diversify into additional business segments. For example, we are considering producing pharmaceutical active ingredients (APIs), which represents a forward integration for us from our current product spectrum of advanced intermediates. In such APIs, we would produce the key advanced intermediates ourselves and, thus, we will be backward integrated all the way to commodity chemicals. Another segment we are actively considering is the advanced organic silicone products market, which lends itself into high-end high-value applications in material sciences, coatings, advanced electronics and other similar applications.

Expand Manufacturing, R&D and Pilot Plant Capacities

To cater to the growing demand from our existing customers and to meet requirements of new customers, we intend to, and are in the process of, expanding our manufacturing capacities for existing products including 4MEP and BFA. We also intend to add manufacturing capacities for our new product line (discussed above) that we are in the process of developing and commercializing.

To achieve these expanded capacities, in August 2021, we commenced construction of a new manufacturing facility at a third site near our existing manufacturing facilities in Sachin. This new facility is proposed to host four streams for production of new speciality chemicals and intermediates, which have applications in pharmaceutical, agrochemicals and material sciences. We are also in discussions with relevant authorities for acquiring land located in Sachin for a fourth facility, where we intend to manufacture other intermediates for applications in pharmaceuticals, agrochemicals, coatings and oil & gas sectors. We have scheduled construction to begin on this fourth facility by the end of Fiscal 2022. Further, for future expansion of our business, in March 2022, we secured additional leasehold lands admeasuring approximately 125,000 square meters at the Panoli GIDC Estate of Ankleshwar region of Gujarat state, which is approximately 54 kms from our current manufacturing facilities in Sachin.

In addition, we look to build strategic alliances with innovator companies across end-user industries. We expect that projects that may begin as CRAMS projects will lead to strategic associations for commercial large-scale manufacturing of products and possibly introducing additional manufacturing capacity.

We also expanded the capacity of our R&D laboratories by adding an additional 30 fume hoods. These additional fume hoods will be divided into four organic synthesis labs in a separate floor in our R&D Facilities. The new labs will be fully equipped including laboratory furniture and air-conditioned HVAC systems. In addition, our R&D Facilities are also undergoing a complete architectural and interior design overhaul and will be transformed into a world-class R&D center with library, scientist lounges, cafeteria, coffee house for scientists, modern offices and conference rooms, gymnasium, and outdoor meeting areas. As part of our R&D expansion plans, we are looking to recruit an additional 55-70 R&D scientists (with a focus on staff with a PhD or Master's degree).

In addition, we expanded our Pilot Plant by installing additional trains of pilot scale equipment which will triple our current capacity. The expanded pilot plant will be equipped with state-of-art reaction technology both in batch and continuous regimes, world-class instrumentation, engineering, and safety systems, and will be automated on DCS process automation. In the pilot plant expansion, we are installing new equipment including 26 reactors ranging from 250 L reactor volume to 4000 L reactor volume. Best-in-class utility (total 16 equipment) are being installed to support the pilot plant reaction processes. True DCS platform of Siemens PCS7 (German make) will be deployed in a "hot" redundant configuration. The entire new pilot plant will be protected by a comprehensive fire hydrant system, replete with fire curtains, water sprinklers, and foam monitors, and supported by a 271 m^3 main electrical / diesel pump system and water reservoir of 700 m^3 capacity.

Continue to strengthen our presence in India and expand our sales and distribution network in international markets

As of March 31, 2022, our product portfolio catered to 34 global customers in 18 countries and to 154 domestic customers. We enjoy relationships in excess of 5 years with seven out of our top ten customers in the nine months ended December 31, 2021. We believe that the long-standing relationships that we have enjoyed with our customers over the years and the repeat and increased orders received from them are an indicator of our position as a preferred source as compared to our competition which is mostly located in China. In addition, we have an international sales and marketing team and business development team that is dedicated to taking new orders, quoting rates and aids in understanding the requirements of our customers. Our team consists of veterans of chemical industry, namely Raymond Paul Roach (Business Development Leader – Americas); Dr. James Ringer (Business Development Leader – Americas); and Dr. Norbert Flüggen (Business Development Leader – Europe).

Our new business development and marketing / sales is conducted with physical presence in 3 different continents (Asia / India by HQ, Europe / Germany by Dr. Norbert Flüggen, North America / USA by Dr. James Ringer and Raymond Paul Roach).

We intend to focus on increasing our wallet share with existing customers. We have built long-standing relationship with our customers through various strategic endeavors, which we intend to leverage by selling baskets of products to the same customers. In addition, we intend to continue to leverage our existing sales and marketing network, diversified product portfolio and our industry standing to establish relationships with new multinational, regional and local customers.

We are expanding globally to serve our existing direct end-use customers as well as to secure new direct end-use customers and expand the reach of our products in new markets. We intend to achieve this by having dedicated sales and marketing teams whose primary focus will be on business development in international markets and in certain focus geographies, such as North America, South America and Europe. Our focus also will be to increase the number of stock points that we have globally and strengthen our sales team in India, North America, South America and Europe to ensure that we are able to deliver products to our customers in a timely manner.

Continue to focus on contract manufacturing / exclusive manufacturing by developing innovative processes and value engineering

We look to convert R&D (CRAMS) opportunities provided by our clients into large-scale contract manufacturing projects. We believe that by offering value engineering, developing innovative processes and undertaking our core competency chemistries in our contract manufacturing / exclusive manufacturing operations allows us to enter into long-term contracts with customers that provide assured product off-take and better margins, thereby helping improve our profitability. We aim at differentiating our operations from other CRAMS companies by developing in-house innovative processes, which we believe provides us with a better leverage in terms of pricing with the customers. Accordingly, we intend to continue developing in-house innovative processes for new complex chemistries, such as, glove box chemistries, Nobel prize winning metathesis chemistry and organo-silicon chemistry. We also continuously explore which of our existing products or processes are best suited for further innovation.

Further, we seek to continue to explore opportunities to enhance our existing customer relationships by undertaking CRAMS for new molecules. We believe our focus on value engineering by extending our process and chemistry expertise to enter into new value chains and replace the lower value products with higher value products in the same chemistry will enable us to service more of our customers' needs and increase our revenues from existing customers. By leveraging the long-standing relationships and repeat orders from our customers, we intend to capitalize on the significant cross-selling opportunities that higher value products offer. Further, we intend to focus on early-stage process innovation and development that we believe will enable us to capitalize on the complete lifecycle of these products and give us the opportunity to be the initial suppliers for such customized speciality chemicals and strengthen our relationships 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

We organize our business based on three business models: (i) large scale manufacturing of our own speciality chemicals and intermediates, (ii) CRAMS (contract research and manufacturing services) and (iii) contract manufacturing/exclusive manufacturing.

Speciality Chemicals and Intermediates

We specialize in speciality chemicals and advanced intermediates products based on an intricate marriage of complex chemistry and technology core competencies. Examples of our chemistry core competencies include Grignards, organolithium and other organometallic chemistry, ethylene oxide and isobutylene chemistry, hydrogenation, catalysis (homogeneous /heterogeneous), cross coupling chemistry and metathesis/polymerization chemistry. Examples of our technology core competencies 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 our focus on core competencies, we have developed a chemistry and technology oriented sales vision, as compared to a product and industry oriented sales vision. Our focus on core competencies also helps us mitigate risk because our business strategy and R&D are not targeted to any specific product, customer, region, or industry.

Our product selection process is very simple and straightforward. We look for products which fall into our core competencies of chemistry, technology and systems, and select the product which falls into our sweet spot. We then apply certain refinements to narrow down our product selection process, which are: (i) the product should be infrastructure oriented product, falling into a speciality chemical field with minimum of 4-synthetic step sequence, (ii) the product should not be actively manufactured by any company in India, (iii) the product should generate adequate revenue at maturity and (iv) we should be able to attain market leading position at product maturity. If product passes all these parameters, then we select that product for R&D, scale it up in our Pilot Plant, validate it and then produce it for commercialization.

As of March 31, 2022, our product portfolio comprised over 25 products, which have been developed and commercialized using these criteria in the 8 year period since we started our Company. Our products are advanced intermediates and speciality chemicals, which occupy a position in the chemical industry value chain between commodity chemicals and final actives and formulations. They find application in a number of therapeutic segments in the pharmaceuticals industry including hypertension, anti-platelet, anti-psychotic, anti-histamine and nonsteroidal anti-inflammatory drugs (‘NSAIDs”). Our products also find application in various other industries like agrochemicals, material science, coatings, high performance photography, additives and oil & gas.

Major Products

The following table sets forth our major products, their application, their therapeutic segment and the chemistry and the technologies or processes involved in their production.

Product	**Launch Month / Year**	**Application**	**Therapeutic or other use**	**Chemistry and Technology/Process**
4-(2-Methoxyethyl) Phenol **(4MEP)**	December 2016	Metoprolol Succinate / Metoprolol Tatrate	Hypertension	We employ Grignard chemistry, ethylene oxide chemistry, and isobutylene chemistry as the core chemistry competencies and continuous reaction technology and fractional distillation technology as the core technology competencies for this product. There are high entry barriers for this product as the process is very complex and the demand is quite niche.
N-Octyl-D-Glucamine / 1-Deoxy-1-(Octylamino)-D-Glucitol (**NODG**)	July 2015	Naproxen, Dexketoprofen APIs	NSAID	The production process includes hydrogenation of n-octylamine with D-glucose to produce N-n-octyl-D-glucamine. We have superior hydrogenation and high pressure chemistry core competencies which helps us to have edge over other companies in this product.
Ortho Tolyl Benzo Nitrile / 4’-Methyl-2-Cyanobiphynyl **(OTBN)**	December 2018	Valsartan, Telmisartan, Olmesartan, Losartan, Candisartan APIs	Hypertension	We have deployed Grignard chemistry and coupling chemistry as the core chemistry competencies and continuous reaction technology and fractional distillation technology as the core technology competencies for this product. We have improved the Grignard reaction and also established a continuous recovery and recycle process for the THF solvent, to increase the

Product	Launch Month / Year	Application	Therapeutic or other use	Chemistry and Technology/Process
				yield of production and to improve the overall process economics.
Thiophene-2-Ethanol **(T2E)**	May 2017	Clopidogrel, Ticlopidine APIs	Anti-Platelet	We have deployed Grignard chemistry and ethylene oxide chemistry as the chemistry core competencies and continuous reaction technology and fractional distillation technology as the core technology competencies for this product.
1-2-(2Hydroxyethoxy) Ethyl Piperazine **(HEEP)**	May 2018	Quetiapine, Hydroxyzine APIs	Anti-Psychotic Anti Histamine	We deploy ethylene oxide chemistry as the chemistry core competency and continuous reaction technology as the technology core competency for this product, with in-house continuous dry HCl gas generation plant. Amongst all 3 Indian manufacturers of HEEP, we are the only manufacturer that is back-integrated into the manufacture of HEEP's key raw material, 2-CEE.
Delta-Valerolactone (**DVL**)	September 2016	Coating additive Monomer electronic chemical	Coatings	We deploy heterogeneous catalysis as the chemistry core competency and continuous reaction technology, fixed bed reaction technology, gas phase reaction technology, and high vacuum fractional distillation as the technology core competencies for this product.
Bifenthrin Alcohol	August 2021	Bifenthrin	Agrochemical	We deploy Grignard chemistry and coupling chemistry as the key chemistry competencies and continuous reaction technology and high vacuum fractional distillation technology as the key technology competencies for this product.

(Source: F&S Report, May 2022).

Customer Segments

The table set forth below provides customer segment split of our revenue from operations and as a percentage of revenue from operations in the nine months ended December 31, 2021 and Fiscal 2021, Fiscal 2020 and Fiscal 2019.

Customer Segment	Nine months ended December 31, 2021		Fiscal 2021		Fiscal 2020		Fiscal 2019	
	₹ million	% of revenue	₹ million	% of revenue	₹ million	% of revenue	₹ million	% of revenue
Pharmaceuticals	2,770.51	62.60%	3,041.90	67.63%	2,454.50	81.33%	1,252.70	62.27%
Agrochemicals	1,017.61	22.99%	926.50	20.60%	257.50	8.53%	447.10	22.22%
Material Science	188.00	4.25%	195.90	4.36%	46.30	1.53%	94.60	4.70%
High Performance Photo	171.26	3.87%	125.80	2.80%	57.90	1.92%	11.70	0.58%
Coatings	154.36	3.49%	124.80	2.77%	0.55	0.02%	66.00	3.28%
Multiple Use	27.70	0.63%	56.70	1.26%	138.90	4.60%	43.60	2.17%
Food Additives	0.00	0.00%	0.60	0.01%	1.60	0.05%	1.00	0.05%
Oil & Gas	53.54	1.21%	0.00	0.00%	26.50	0.88%	66.00	3.28%
Other	42.46	0.96%	25.96	0.57%	34.31	1.14%	29.10	1.45%
Total	**4,425.44**	**100.00%**	**4,498.16**	**100.00%**	**3,018.06**	**100.00%**	**2,011.80**	**100.00%**

Contract Research and Manufacturing Services(CRAMS)

Our CRAMS business are the services that our customers outsource to us and include:

• Contract research;

• Pilot scale-up services;
• Contract manufacturing;
• Full time equivalent (FTE) services, where one or more of our employees work full time on the project;
• Technology development; and
• 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 the nine months ended December 31, 2021 and Fiscal 2021, Fiscal 2020 and in Fiscal 2019, revenues from our CRAMS business constituted 7.44%, 7.98%, 9.10% and 10.02%, respectively, of our revenues 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 nine months ended December 31, 2021 and Fiscal 2021, Fiscal 2020 and in Fiscal 2019, revenues from our contract manufacturing business constituted 21.85%, 19.38%, 7.39% and 16.09%, respectively, of our revenues from operations.

Products manufactured as part of our contract manufacturing business are set forth in the table below.

Product	**Launch Month / Year**	**Application**	**Therapeutic or other use**	**Chemistry and Technology/Process**
3-Methoxy-2-Methylbenzoyl Chloride (**MMBC**)	September 2019	Methoxyfenozide	Agrochemical Insecticide	We deploy Grignard chemistry and carbon dioxide coupling chemistry as the chemistry core competencies and continuous reaction technology and high vacuum fractional distillation technology as the technology core competencies for this product.
2-Methoxy-6-Chlorotoulene	February 2020	Methoxyfenozide	Agrochemical Insecticide	Sodium methoxide chemistry and fractional distillation technology are the core competencies utilised in this product.

(Source: F&S Report, May 2022)

Our Customers

Our customers include more than 160 multinational, global, regional and local companies. As of March 31, 2022, we sold our products to 34 global customers in 18 countries and to 154 domestic customers. Our customers include a rich collection of leading domestic and international multinational companies. Selected examples of our clientele are provided below:

- Indian pharmaceutical companies like Aarti Drugs Limited, Alembic Pharmaceuticals Limited, Atul Bioscience Limited, Cadila Healthcare Limited, CTX Lifeciences Private Limited, Divis Laboratories Limited, Dr. Reddy’s Laboratories Limited, Granules India Limited, Hetero Drugs Limited, IOL Chemicals, Ind-Swift Laboratories Limited, IPCA Laboratories Limited, Laurus Labs Limited, Lupin Limited, Mankind Pharma, Neogen Chemcials Limited and MSN Laboratories Private Limited.
- Global generic pharmaceutical companies like Moehs Iberica SL (Spain), Microsin SRL (Romania) and Dr. Reddy’s Laboratories (Mexico).
- Global and domestic generic agrochemical companies like Adama Agan (Israel), Adama Makhteshim (Israel), Deccan Fine Chemicals (India) and UPL Limited(India),.
- Global oil and gas companies like Aramco Performance Materials LLC.
- Global material science / coatings / speciality polymer companies like Altana AG (Germany) , BYK Chemie GmbH (Germany) and Avient Corporation (UK.
- Global textile companies like Milliken & Co. (USA).
- Global high performance photography companies like Polaroid Film BV (Netherlands).
- Global marketing and trading companies like Austin Chemical Company, Inc. (USA) and Connect Chemicals GmbH (Germany).
- Global and domestic chemical companies like Ningbo Noubai Pharmaceutical Co. Ltd (China), Saurav Chemicals Limited

(India), Neogen Chemicals Limited (India), and IOL Chemicals and Pharmaceuticals Limited (India).

- Global organometallic and halogenated chemistries company Tosoh FineChem Corporation (USA)

Of our revenue from operations in the nine months ended December 31, 2021 and Fiscal 2021, our largest customer contributed approximately 13.52% and 19.38%, respectively; our top 10 customers contributed approximately 55.76% and 56.23%, respectively; and our top 20 customers contributed 72.93% and 73.50%, respectively. We expect that we will continue to be reliant on our major customers for the foreseeable future.

We have a number of supply contracts with customers of three to five year duration which are linked to a formula based pricing structure. Our supply contracts with customers entered into by the Company may be terminated at the end of their terms or on the basis of the notice provided by the customer to us. Such terminations, however, is done on mutual discussion between the Company and the Customers. Notwithstanding, the termination of supply contracts could adversely affect our business, financial condition and results of operations.

For other customers, we instead rely on purchase orders to govern the volume and other terms of our sales of products. Many of the purchase orders we receive from our customers specify a price per unit and delivery schedule. However, such orders may be amended or cancelled prior to finalisation, and should such an amendment or cancellation take place, it may adversely impact our production schedules and inventories.

Exports

We export our products to more than 18 countries. Some of the key geographies to which we export our products include Italy, Spain, Germany and the United States. During the nine months ended December 31, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019, our sales from exports (excluding deemed exports), as a percentage of our revenue from operations were 48.87%, 50.65%, 42.94% and 45.64%, respectively.

Our sales from exports are denominated in foreign currencies, mostly the U.S. Dollars. Therefore, changes in the relevant exchange rates could also affect our sales as reported in Indian Rupees as part of our financial statements. While we hedge a portion of the resulting net foreign exchange position, we are still affected by fluctuations in exchange rates among the U.S. dollar and the Indian Rupee.

Geographic Split of Revenue from Operations

The table set forth below provides geographic split of our revenue from operations and as a percentage of revenue from operations in the nine months ended December 31, 2021 and Fiscal 2021, Fiscal 2020 and Fiscal 2019.

Geography	**Nine months ended December 31, 2021**		**Fiscal 2021**		**Fiscal 2020**		**Fiscal 2019**	
	₹ million	% of revenue	₹ million	% of revenue	₹ million	% of revenue	₹ million	% of revenue
India (domestic sales)	1,621.21	36.63%	1,981.54	44.05%	1,492.71	49.46%	1,010.81	50.24%
India (deemed exports)	641.46	14.49%	238.37	5.30%	229.54	7.61%	82.64	4.11%
India (SEZ sales)	270.64	6.12%	380.84	8.47%	375.41	12.44%	159.05	7.91%
Italy	417.69	9.44%	725.30	16.12%	151.11	5.01%	0.00	0.00%
Spain	474.59	10.72%	389.57	8.66%	181.91	6.03%	95.80	4.76%
Germany	249.34	5.63%	237.27	5.27%	96.14	3.19%	139.56	6.94%
Rest of Europe	310.45	7.02%	131.27	2.92%	177.22	5.87%	33.12	1.65%
United States	155.47	3.51%	211.68	4.71%	131.69	4.36%	77.64	3.86%
Taiwan	34.62	0.78%	64.92	1.44%	0.15	0.00%	0.00	0.00%
Mexico	107.78	2.44%	47.80	1.06%	68.59	2.27%	35.02	1.74%
China	64.91	1.47%	28.73	0.64%	72.48	2.40%	4.24	0.21%
Japan	54.95	1.24%	37.79	0.84%	18.51	0.61%	27.63	1.37%
Rest of the world	22.33	0.51%	23.08	0.52%	22.60	0.75%	346.29	17.21%
Total	**4,425.44**	**100.00%**	**4,498.16**	**100.00%**	**3,018.06**	**100.00%**	**2,011.80**	**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.

Manufacturing and R&D Facilities

Our manufacturing infrastructure, advanced technologies and automation are key growth drivers for our intermediates and speciality chemicals business. We have two sites at Sachin in Surat. Our Manufacturing Facility 1 is an approximately 3,500 square meters facility including our R&D Facilities, our analytical sciences, our Pilot Plant, our CRAMS facility and our hydrogenation facility. Our Manufacturing Facility 2 of approximately 10,500 square meters, acts as a large scale manufacturing facility which has an installed capacity per annum of 6,096 MT (SRP Plant: 13,140 MT) distributed among three intermediate buildings that host 16 production streams, as of December 31, 2021. Our capacity utilization was 77.47% (SRP Plant: 77.64%) in the nine months ended December 31, 2021 and 73.75% (SRP Plant: 72.99%) in Fiscal 2021, as certified by Dr. Pankaj Jayantilal Gandhi, Chartered Engineer. Each of our facilities is equipped to function independently, with its own quality department, effluent treatment plant and warehouse. In addition, both the facilities are in close proximity to the Hazira Port and JNPT Port which helps us save freight costs for our exports.

Capacity Production and Utilization

The following tables set forth our installed capacity, actual production and utilization for our manufacturing facilities as of, and for the period ended, December 31, 2021 and 2020 and as of, and for the period ended, March 31, 2021, 2020 and 2019. The information in the table has been certified by Dr. Pankaj Jayantilal Gandhi, Chartered Engineer, by certificate dated May 16, 2022.

Plant	**As of, and for the period ended, March 31, 2021**			**As of, and for the period ended, March 31, 2020**			**As of, and for the period ended, March 31, 2019**		
	Installed Capacity(1)	Actual Production (2)(8)	Utilization (3)(8)	Installed Capacity(1)	Actual Production (2)(8)	Utilization (3)(8)	Installed Capacity(1)	Actual Production (2)(8)	Utilization (3)(8)
	MT	MT	%	MT	MT	%	MT	MT	%
Intermediate Building 1									
Stream 1	480.00	452.09	94.19%	480.00	448.63	93.46%	360.00	331.86	92.18%
Stream 2	420.00	412.58	98.23%	360.00	293.48	81.52%	360.00	301.40	83.72%
Stream 3	900.00	542.50	60.28%	660.00	424.12	64.26%	660.00	616.90	93.47%
Stream 4	336.00	259.09	77.11%	336.00	209.12	62.24%	336.00	186.63	55.54%
Stream 5	240.00	220.39	91.83%	150.00	122.25	81.50%	150.00	142.91	95.28%
Streams 6 +7	480.00	421.56	87.83%	420.00	386.41	92.00%	360.00	136.85	38.01%
Stream 8	384.00	327.90	85.39%	354.00	274.52	77.55%	354.00	256.54	72.47%
Stream 9	252.00	139.77	55.46%	180.00	30.05	16.69%	180.00	72.24	40.13%
Stream 10	192.00	102.00	53.13%	192.00	94.10	49.01%	192.00	81.98	42.70%
Total (A)	**3,684.00**	**2,877.88**	**78.12%**	**3,132.00**	**2,282,68**	**72.88%**	**2,952.00**	**2,127.31**	**72.06%**
Intermediate Building 2									
Stream 1	576.00	422.17	73.29%	576.00	197.10	68.44%	-	-	-
Stream 2	420.00	251.80	59.95%	420.00	81.20	38.67%	-	-	-
Total (B)	**996.00**	**673.97**	**67.67%**	**996.00**	**278.30**	**55.88%**	**-**	**-**	**-**
Intermediate Building 3									
Stream 1	660.00	160.80	97.45%	-	-	-	-	-	-
Stream 2	312.00	0.00	0.00%	-	-	-	-	-	-
Stream 3	84.00	0.00	0.00%	-	-	-	-	-	-
Stream 4	360.00	0.00	0.00%	-	-	-	-	-	-
Total (C)	**1,416.00**	**160.80**	**45.42%**	-	-	-	-	-	-
Total A+B+C	**6,096.00**	**3,712.65**	**73.75%**	**4,128.00**	**2,560.98**	**70.55%**	**2,952.00**	**2,127.31**	**72.06%**
Solvent Recovery Plant (6)	**13,140.00**	**1,598.52**	**72.99%**	**-**	**-**	**-**	**-**	**-**	**-**

Plant	As of, and for the period ended, December 31, 2021			As of, and for the period ended, December 31, 2020		
	Installed Capacity[(1)]	Actual Production[(2)(8)]	Utilization[(3)(8)]	Installed Capacity[(1)]	Actual Production[(2)(8)]	Utilization[(3)(8)]
Intermediate Building 01	MT	MT	%	MT	MT	%
Stream 1	480.00	354.84	98.57%	480.00	351.55	97.65%
Stream 2	420.00	260.01	82.54%	420.00	301.50	95.71%
Stream 3	900.00	655.36	97.09%	900.00	400.49	59.33%
Stream 4	336.00	219.53	87.11%	336.00	222.00	88.10%
Stream 5	240.00	175.35	97.41%	240.00	139.38	77.44%
Stream 6 + 7	480.00	243.13	67.54%	480.00	315.61	87.67%
Stream 8	384.00	274.34	95.26%	384.00	226.48	78.64%
Stream 9	252.00	136.75	72.35%	252.00	106.37	56.28%
Stream 10	192.00	73.68	51.17%	192.00	72.12	50.08%
Total (A)	**3,684.00**	**2,392.99**	**86.61%**	**3,684.00**	**2,135.50**	**77.29%**
Intermediate Building 02 (4)						
Stream 1	576.00	364.26	84.32%	576.00	355.53	82.30%
Stream 2	420.00	188.20	59.75%	420.00	193.00	61.27%
Total (B)	**996.00**	**552.46**	**73.96%**	**996.00**	**548.53**	**73.43%**
Intermediate Building 03 (5)						
Stream 1	660.00	487.00	98.38%			
Stream 2	312.00	106.41	45.48%			
Stream 3	84.00	3.09	4.90%			
Stream 4	360.00	0.00	0.00%			
Total (C)	**1,416.00**	**596.50**	**56.17%**			
Total A+B+C	**6,096.00**	**3,541.95**	**77.47%**	**4,680.00**	**2,684.03**	**76.47%**
Solvent Recovery Plant (6)	**13,140.00**	**7,651.27**	**77.64%**			

Notes:

(1) The information relating to the installed capacity as of the dates included above are based on various assumptions and estimates that have been taken into account for calculation of the installed capacity. These assumptions and estimates include the standard capacity calculation practice of speciality chemicals industry after examining the calculations and explanations provided by the Company and the reactor capacities and other ancillary equipment installed at the facilities. The assumptions are also based on the past experience of the Management of Company to manufacture the products. It also depends on the product mix that the Company has used to manufacture the various products in a stream in a plant. The assumption is also based on the three (3) shifts that the Company is running for eight (8) hours a day. The assumptions and estimates taken into account include the following: (i) Number of working days in a fiscal year – 365; (ii) Number days in a month – 30; (iii) Number of shifts in a day – 3; (iv) Number of hours – 8 and (v) Schedule preventive maintenance days – 8. The installed capacity as of December 31, 2020 and 2021 have been provided on an unannualized basis.

(2) The information relating to the actual production as of the dates included above are based on the examination of the SAP/ internal production records provided by the Company, explanations provided by the Company, the period during which the manufacturing facilities operate in a fiscal year, expected operations, availability of raw materials, downtime resulting from scheduled maintenance activities, unscheduled breakdowns, as well as expected operational efficiencies. The actual production for the nine months ended December 31, 2020 and 2021 have been provided on an unannualized basis.

(3) Capacity utilization has been calculated on the basis of actual production during the relevant fiscal year/ period divided by the aggregate installed capacity of relevant manufacturing facilities as of at the end of the relevant fiscal year/ period. In the case of capacity utilization for the nine months ended December 31, 2021 and December 31, 2020, the capacity utilization has been calculated by dividing the actual production for the period by 75% of the annualized installed.

(4) Intermediate Building -02 started production from October1, 2019 and had 6 Months of stabilisation and production during FY 20, accordingly, in the case of capacity utilization has been calculated by dividing the actual production for the period by 50% of the annualized installed.

(5) Intermediate Building -03 started production from January 1, 2021 and had 3 Months of stabilisation and production during FY 21, accordingly, in the case of capacity utilization has been calculated by dividing the actual production for the period by 25% of the annualized installed.

(6)) SRP Pant, started production from February 1, 2021 and had 2 Months of stabilisation and production during FY 21, accordingly, in the case of capacity utilization has been calculated by dividing the actual production for the period by 16.67% of the annualized installed capacity.

(7) Streams which are mentioned in the above table of capacity utilizations refers to the various production lines which are active in each Plant Building. In each stream, the Company is manufacturing different products to have a proper bifurcation on each production of each product. But each stream can also be aligned and with fewer modifications, for manufacturing of other products also which are in more demand and need more production.

(8) Actual production levels and utilization rates may vary significantly from the capacity information of our manufacturing facilities included in this Prospectus and undue reliance should not be placed on such information. See "Risk Factors – Information relating to the installed manufacturing capacity of our manufacturing facilities included in this Prospectus are based on various assumptions and estimates and future production and capacity may vary." on page 46.

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

We have designed and developed our facilities based on a chemistry and technology model, and each product is assigned to a particular stream. This design gives us flexibility to move from one product to another without any gestation period and with the least amount of cost. The plant design is flexible to run multiple streams across our intermediate product buildings for our key products to limit contagion risk, and consistently meet the demand of these products. All our manufacturing units are multipurpose plants with multiple streams catering to the wide range of products that we have. There are no dedicated plants or streams, and the same stream can be utilized for multiple products providing the flexibility to adjust the production mix quickly as demand changes. Each product is a result of various chemistries and processes applied as per the desired results.

Our products can be broadly classified under six different chemistry bifurcations:

- Tandem Grignard / ethylene oxide chemistry;
- Other Grignard / coupling chemistry;
- Hydrogenation / catalysis chemistry;
- Continuous reaction technology based chemistries;
- Fixed bed technology based chemistries; and
- Hazardous gas chemistry.

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 the 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 foundation of our Company is our in-house research and development. According to Frost & Sullivan, our strategic investments in R&D have been critical to our success and a differentiating factor for us to attain leading market positions for certain products. (*Source: F&S Report, May 2022*). Based on the technical expertise that we have developed over the years, we are able to carry out innovative processes at global scale, which, according to Frost & Sullivan, is difficult to replicate, and creates significant barriers for new entrants. (*Source: F&S Report, May 2022*).

We have dedicated in-house R&D Facilities and a Pilot Plant located at our Manufacturing Facility 1 in Sachin. Our chemistry and technology core competencies and all of our products have been developed by our own R&D team, scaled up in our Pilot Plant, and launched into production with in-house design and engineering. According to Frost & Sullivan, our in-house development (without the support from any clients for R&D) showcases our innovation and research strength. (*Source: F&S Report, May 2022*). Examples of our chemistry core competencies include Grignards, organolithium and other organometallic chemistry, ethylene oxide and isobutylene chemistry, hydrogenation, catalysis (homogeneous /heterogeneous), cross coupling chemistry and metathesis/polymerization chemistry. Examples of our technology core competencies include 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 the development of our pipeline and next generation products as well as to our CRAMS customers. As of March 31, 2022, we had a specialized R&D team of 164 scientists and engineers including 92 scientists (with PhDs or Master of Science degrees) and 72 chemical engineers. With a view to further strengthen our R&D capabilities, we continuously recruit and appoint scientists of varied experience and expertise at our R&D laboratory with an objective to successfully implement our strategy of early identification of development and manufacturing opportunities.

Our R&D laboratories are fitted with modern synthesis equipment including fume hoods, lab scale continuous and flow reactors and advanced separation equipment. In addition, our R&D labs are supplemented with modern analytical method development (ADL) and quality control (QC) laboratories equipped with the entire suite of equipment necessary for modern organic chemistry research (including Liquid Chromatography Mass Spectrometry, Gas Chromatography Mass Spectrometry, Gas Chromatography, High Pressure Liquid Chromatography, Differential Scanning Calorimetry/Thermal Stability Unit, and others). In the nine months ended December 31, 2021 and Fiscal 2021, Fiscal 2020 and Fiscal 2019, our expenditures (revenue and capital) incurred on research and development were ₹242.47 million, ₹192.83 million, ₹120.92 million and ₹52.91 million, respectively, which represented 5.40%, 4.25%, 3.98% and 2.60%, respectively, of our total income.

Our R&D Facilities are equipped with laboratories engaged in process development, process innovation, new chemical screening and engineering, which assists us in pursuing efficiencies from the initial conceptualization up to commercialization of a product. Our R&D team has successfully carried out multi-step synthesis and scale-up for several new molecules in the area of speciality chemicals and intermediates, and as a result, expanded our commercialized product portfolio.

Another aspect of our R&D activities is our association and collaboration with many universities and institutions of India. We have been 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).

We have our own sponsored PhD programs which are ongoing for getting PhD research and degree done for our R&D team with Institute of Chemical Technology (ICT, erstwhile UDCT, Mumbai), National Chemical Laboratory (NCL, Pune), Uka Tarsadia University (Bardoli), and Sardar Vallabhbhai National Institute of Technology (SVNIT, Surat).

Our R&D Facilities are recognized by DSIR (Department of Scientific & Industrial Research), New Delhi for in-house R&D work.

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.

Upcoming projects

We acquired a third site of 1.3 acres near our existing manufacturing facilities in Sachin, where in August 2021, we commenced construction of a new third facility that is proposed to host four streams for production of new speciality chemicals and intermediates, which have applications in pharmaceuticals, agrochemicals and material science.

We are also in discussions with relevant authorities for acquiring land located at Sachin, Surat (Gujarat) for a fourth facility, where we intend to manufacture other intermediates for application in pharmaceuticals, agrochemicals, coatings and oil & gas sectors

We also expanded the capacity of our R&D laboratories by adding an additional 30 fume hoods. These additional fume hoods will be divided into four organic synthesis labs in a separate floor in our current R&D Facilities. These new labs will be fully equipped including laboratory furniture and air-conditioned HVAC systems. In addition, our R&D Facilities are also undergoing a complete architectural and interior design overhaul and will be transformed into a world-class R&D center with library, scientist lounges, cafeteria, coffee house for scientists, modern offices and conference rooms, gymnasium, and outdoor meeting areas. As part of our R&D expansion plans, we are looking to recruit an additional 55-70 R&D scientists (with a focus on staff with a PhD or Master's degree).

In addition, we expanded our Pilot Plant by installing additional trains of pilot scale equipment which will triple our current capacity. The expanded pilot plant will be equipped with state-of-art reaction technology both in batch and continuous regimes, world-class instrumentation, engineering, and safety systems, and will be automated on DCS process automation.

The information on our proposed expansion plans is indicative and remain subject to the potential problems and uncertainties that construction projects face including cost overruns or delays. We are in the process of obtaining various consents, approvals and acknowledgements from regulatory authorities that are routine in nature in relation to our third proposed facility. For further information see, "*Risk Factors –Our proposed capacity expansion plans via one of our new manufacturing facilities are subject to the risk of unanticipated delays in implementation and cost overruns.*" on page 41.

Raw Materials

The raw materials we use in our manufacturing process are primarily sourced from third party suppliers globally and in India. During the nine months ended December 31, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019, our cost of good sold (cost of materials consumed and changes in inventories of finished goods and work-in-progress) amounted to ₹2,148.77 million, ₹2,306.88 million, ₹1,561.55 million and ₹1,095.75 million, respectively, and our cost of materials consumed as a percentage of our revenue from operations was 48.55%, 51.28%, 51.74% and 54.47%, respectively. 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, amongst others.

Our reliance from China has been as follows:

Fiscal 2019: 25.44% of overall purchases;
Fiscal 2020: 32.10% of overall purchases;
Fiscal 2021: 32.48% of overall purchases; and
Up to December 31, 2021: 17.46% of overall purchases.

The prices of our raw materials are based on, or linked to, the international prices of such raw material and the variations are typically passed on to the customer. We usually do not enter into long-term supply contracts with any of our raw material suppliers and typically source raw materials from third-party suppliers under contracts of shorter period or the open market. The prices of our key raw materials globally have been volatile and increases in the prices of these materials have an impact on our cost of production.

Power and Fuel

We procure electricity for use at our facilities from the local grid. We procure water for use at our facilities from the Gujarat Industrial Development Corporation. In the nine months ended December 31, 2021, Fiscal 2021, Fiscal 2020 and 2019, our power expenses together comprised 8.79%, 6.00%, 6.07% and 6.64%, respectively, of our total income and 11.69%, 7.57%, 7.45% and 7.91%, respectively, of our total expenses. We have issued a purchase order for the construction of a 16 MW solar power to provide power to our current operational two manufacturing plants and our Proposed Greenfield project which is expected to be operational in Fiscal 2023.

Inventory Management

Our finished products are stored on-site at our manufacturing facilities. The raw materials are stored at our warehouses located at the nearby warehousing sites procured by the Company on leased premises and the ready to use raw material for use in production are stored at on-site warehouses. We typically keep at least five months of inventory of raw materials, work in progress and recoveries at our facilities to mitigate the risk of raw material price movements; we typically maintain 15 days of inventory in Work-in-Progress (Semi Finished Goods); and we maintain a low level of inventory of Finished Goods due to the demand from various customers based on which the products are manufactured. We usually manufacture Finished Goods as per the orders received, and hence our Finished Goods are not in inventory for more than a week.. We maintain a lead-time material requirement planning system and utilize our ERP software to manage our levels of inventory on a real-time basis.

Freight and Transportation

We transport our finished products by road, sea and air. Each of our facilities are equipped with a warehouse, enabling smooth functioning of our operations. We sell our products on a cost, insurance and freight basis, on a consignee basis and on a door delivery/ DDP basis. In addition, we may have to pay for transportation costs in relation to the delivery of some of the raw materials and other inputs to our manufacturing facilities. We do not own any vehicles for the transportation of our products and/or raw materials; we therefore rely on third party transportation and logistics providers for delivery of our raw materials and products. However, we do not have any long-term contractual arrangements with such third-party transportation and logistics providers. Disruptions of logistics could impair our ability to procure raw materials and/or deliver our products on time.

Where we are responsible for shipping the products to the customer, our freight forwarders arrange for the finished products to be trucked to our customers in India or to the port for export, as applicable. Our custom house agents handle the requisite clearance procedures. For exports, our freight forwarders co-ordinate with the shipping line or airline to file and release the necessary bills of lading or air waybills. Incoterms determine the exact delivery terms, which would include how the goods will be delivered, who pays, who is responsible and who handles specific procedures such as loading and unloading.

In the nine months ended December 31, 2021 and Fiscal 2021, 48.87% and 50.65%, respectively, of our revenue from operations was from exports (excluding deemed exports) and purchase of imported raw materials constituted 30.63% and 47.47%, respectively, of our total raw material purchased. A significant portion of our expenses is due to freight carriage and transport and freight and forwarding expense and export freight charges. Freight (inward and outward) represented 3.62%, 2.72%, 2.64% and 2.27% of our total expenses in the nine months ended December 31, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019, respectively.

Quality Control and Quality Assurance

We believe that maintaining high standard of quality of our products is critical to our brand and continued growth. Across our manufacturing facilities, we have put in place quality systems that cover all areas of our business processes from manufacturing, supply chain to product delivery to ensure consistent quality, efficacy and safety of products. Through our regular internal audits, we ensure that our manufacturing facilities are in compliance with local and international regulatory requirements.

Our products adhere to global quality standards. Our products go through various quality checks at various stages including random sampling check and quality check. Many of our key customers have audited and approved our facilities and manufacturing processes in the past and may undertake similar audits periodically in the future. In the past three fiscal years, our facilities were audited 57 times by 43 customers or their external consultants. We also have procured various certifications for our operations such as ISO 9001: 2015, ISO 14001:2015 and ISO 45001:2018, ISMS 27001:2003 and Indian GMP.

We implement and maintain industry practices including for, adequate premises and space, suitable equipment and services, appropriate materials, approved procedures and instructions, and equipped laboratories. Our employees are required to undergo training programs designed to update them on latest quality norms and standards periodically.

Our quality function monitors all stages of product development. Various in-process quality checks are performed to monitor product quality during manufacturing process. Final finished products are tested as per the predetermined quality specifications before release in the market. The manufactured product is subject to our quality control and testing functions, comprising different levels of testing to test the physical properties, purity and quality of the end products to ensure traceability and repeatability. We employ trained and experienced employees to conduct evaluation procedures for quality control and testing. In addition to our in-house quality testing of our products, we conduct periodic quality audits of our manufacturing units to verify and ascertain effective implementation of quality management systems. We have a well-equipped laboratory where the manufactured products are tested with respect to their application.

Environment, Health and Safety

We are subject to national, regional and state laws and government regulations in India, including in relation to safety, health, environmental protection and labour. These laws and regulations impose controls on air and water discharge, noise levels, storage handling, employee exposure to hazardous substances and other aspects of our manufacturing operations. Further, our products, including the process of manufacture, storage and distribution of such products, are subject to numerous laws and regulations in relation to quality, safety and health. We handle and use hazardous materials in our R&D and manufacturing activities and any improper handling or storage of these materials could result in accidents, injure our personnel, property and damage the environment. We believe that accidents and occupational health hazards can be significantly reduced through a systematic analysis and control of risks and by providing appropriate training to our management and our employees.

Our facilities have received certificate of ISO 14001 for Environment and ISO 45001 for Occupational Safety, and have received ISO 27001 certification. As of March 31, 2022, we had an environmental team of 43 employees (constituting 5.98% of our workforce) and a safety team of 30 employees (constituting 4.17% of our workforce).

We, consider the potential impact of our activities on the local environment and have set stringent environmental standards, which meet regulatory requirements, and often exceed them. We, consider the potential impact of our activities on the local environment and have set stringent environmental standards, which meet regulatory requirements, and often exceed them. Our manufacturing principles and technologies embody the core tenets of "green" chemistry or sustainable chemistry. Principles of energy saving and conservation, atom economy and the 4R strategy (reduce / recover / recycle / reuse) are fundamental in our manufacturing designs and engineering. In addition, by employing cleaner chemistries, semi-continuous or continuous reaction technologies, and automation in the process, we distinguish our processes from conventional processes and optimize use of non-toxic raw materials, resulting in lower effluent generation.

As part of environment and sustainability efforts, we have installed modern systems at our manufacturing facilities including a 100 KLPD in-house zero liquid discharge (ZLD) plant, which includes primary and secondary chemical neutralization, triple stage multiple effect evaporator MEE), multiple mechanical vapor recompression (MVR) plants, multiple agitated thin film evaporators, multiple reverse osmosis (RO) plants and a soil biotechnology platform with ozonation. Our sites are served by aqueous effluent treatment capabilities of 45,000 L/day divided over two CETP. We also have solid incineration capability of 200 MT per year.

In addition, to provide sustainable power for our operations, we have issued a purchase order for the construction of a 16 MW solar power generation plant at Sarod Village, Bharuch District, Gujarat to provide electricity to our current operational two manufacturing facilities and our Proposed Greenfield project, which is expected to be operational in Fiscal 2023.

We prioritize the health and safety of our employees and undertake several initiatives to promote employee health and quality of life. We work to ensure a safe and healthy workplace and provide our employees with the benefits, resources and flexibility to maintain and improve their wellness. We undertake hazard and operability studies before commencing commercial production of new products. We have an in-house developed and engineered mobile application to assist coordination of our human resources, safety and emergencies. We also have a dedicated team of safety personnel including firemen, safety marshals and safety engineers. In addition, we have installed comprehensive safety equipment including firefighting and safety systems including 700 m^3 fire hydrant water storage, 271 m^3 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

Sales and Marketing

Our business is predominantly conducted on a business-to-business basis and our focus is on maintaining constant contact with customers and to ensure timely delivery. We also have an exclusive distributor in the Andhra Pradesh region of India. We have a sales and marketing team and business development team that is dedicated to taking new orders, quoting rates and aids in understanding the requirements of the customers. Our team consists of veterans of chemical industry, namely Raymond Paul Roach (Business Development Leader – Americas); Dr. James Ringer (Business Development Leader – Americas); and Dr. Norbert Flüggen (Business Development Leader – Europe).

We also regularly take part in trade shows and exhibitions, such as CphI in India, Europe, Japan, China and USA; Chemical Outsourcing in USA and Chemspec in India and Europe. Moreover, members of our sales team have been invited as speakers at various industry forums.

In order to serve our existing direct end-use customers as well as to secure new direct end-use customers and expand the reach of our products to new markets, we are expanding globally. We intend to achieve this by having dedicated teams whose primary focus will be on business development in international markets and in certain focus geographies, such as Europe and the Americas.

Our focus will be to increase the number of stock points we have globally and strengthen our sales team in India, the Americas and Europe to ensure that we are able to deliver products to our customers in a timely manner.

Information Technology

Our IT systems are vital to our business, and we have adopted IT policies to assist us in our operations. The key functions of our IT team include establishing and maintaining enterprise information systems, infrastructure services to support our business requirements and maintaining secure enterprise operations.

We utilize an enterprise resource planning solution, SAP, which assists us with various 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.

We have recently been certified as an ISO 27001:2013 which has a key focus on Information Security Management Systems. Our information security objective is to safeguard the data and give our customer confidences on their intellectual property (IP), for which we have implemented a data facility for managing data and its security, access restriction systems and other sophisticated systems.

We are committed to safeguarding confidentiality. We ensure that integrity and availability of all physical and electronic information assets of facilities where we operate to ensure that legal, regulatory, and operational requirements are fulfilled.

We believe we have a robust disaster recovery, business continuation and backup policy. We use a Vmware Virtualisation System in redundant mode with centralised storage and thin client systems . We have employed a firewall in redundant mode. All users connect to our systems only through VPN access. For data security, we use a RDP System (Remote Desktop) with thin client.

For information on the risk to our IT systems, see "*Risk Factors – Failure or disruption of our IT, manufacturing automation systems and/or ERP systems may adversely affect our business, financial condition and results of operations*." on page 40.

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 insurance coverage that we consider is necessary for our business. We maintain an insurance policy that insures against material damage to buildings, facilities and machinery, furniture, fixtures, fittings, stocks, and machinery breakdown. We also maintain a cargo insurance policy that insures consignments of goods by sea, air and by courier until delivery to the customer's warehouse and inland movement of bulk cargo in road tankers. In addition, we maintain a commercial general liability insurance that covers liability in claims for bodily injury (and medical payments), property damage, personal and advertising injury. Further, we have a cyber insurance policy to cover against certain IT and system risks. We have also obtained a COVID-19 insurance policy for our employees to cover pre- and post-hospitalization expenses and emergency road ambulance expenses. We also have a directors' and officers' policy for our directors and senior management.

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. For more information about our industry, see "*Industry Overview*" on page 115.

Human Resources

We place importance on developing our human resources. As of March 31, 2022, we had 719 employees (excluding trainees) and 150 contract workers and trainees. A combination of full-time employees and contract personnel gives us flexibility to run our business efficiently. In Fiscal 2022, Fiscal 2021, Fiscal 2020 and Fiscal 2019, our attrition rates were 1.54% 1.54%, 2.50% and 1.72%, respectively. As of March 31, 2022, the average age of our workforce was 31 years.

As of March 31, 2022, we employed 92 scientists with either a PhD or Master of Science degree (which constituted 12.80% of our workforce) and 72 chemical engineers (which constituted 10.01% of our workforce). The following table sets forth the number of our employees as of March 31, 2022:

Departments / Teams	Number of Employees March 31, 2022
Management and administration	4
Human Resource (HR) & Admin	27
Computer Information System (CIS)	10
Finance & Accounts	10
Logistics & EXIM	3
Procurement	2
Sales	2
Stores / Warehouse	58
Quality Control / Analytical Lab / Quality Assurance (CQ/ADL/QA)	38
Research & Development (R&D)	60
Control & Instrumentation (C&I)	21
Environment Health & Safety (EHS)	30
Effluent Treatment (ETP)	43
Maintenance	101
Electrical	22
Production	276
Process & Project	10
Creative Team	2
Total	**719**

Our employees are not part of any union. We have not experienced any material work stoppages due to labour disputes or cessation of work in the last three years.

Our work force is a critical factor in maintaining quality, productivity and safety, which strengthens our competitive position. We aim to develop a culture that is based on fairness and respect. This includes following our Code of Conduct and protecting employees from discrimination, harassment and retaliation. We continuously review our existing human resource initiatives to make them more inclusive, employee engaging and skill-development oriented. We continue to lay emphasis on building and sustaining an excellent organization climate based on human performance. In addition, we offer wide-ranging training opportunities to our employees and have set up and learning and development policy to foster our training initiatives.

Our workforce has been impacted by COVID-19, see "*Risk Factors- The impact of the COVID-19 pandemic is uncertain and still evolving, and could adversely affect our business, results of operations and financial condition.*" on page 33.

Intellectual Property

We have applied for a trademark registration for our corporate logo under class 1 and Class 5 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. The table below sets forth our trademarks applications as of the date of this Prospectus.

Aether Industries Limited				
Status of Trademark Application				
Sr. No.	**Country**	**Trademark**	**Class**	**Status**
1	India	aether	1	TM Approved
2	India	aether	5	TM Approved

3	India	elementally innovative	1	TM Approved
4	India	elementally innovative	5	TM Approved
5	India	aether elementally innovative	1	® Approved
6	India	aether elementally innovative	5	® Approved
7	India		1	TM Approved
8	India		5	TM Approved
9	USA	aether elementally innovative	International – 01	TM registered

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 our intellectual property. 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. For further information, see "*Risk Factors –We rely on a combination of trade mark, trade secret, copyright law and contractual restrictions to protect our intellectual property. We do not own any patents. If we are unable to protect our intellectual property rights, our business, financial condition and results of operations may be adversely affected.*" on page 31.

Properties

Our registered office is located at Plot No. 8203, Road No. 08, GIDC Industrial Estate, Sachin, Surat 394230, Gujarat, India.

Principal Properties

The following table sets forth details of our principal properties as on the date of this Prospectus.

Location	Primary Purpose	Freehold or Leasehold Tenure
Plot No. B-21/7 SUSML, Road No. 3, Hojiwala Industrial Estate, Sachin, Surat 394230, Gujarat, India	**Manufacturing Facility 1** - R&D Facilities, Pilot Plant, CRAMs and production	Leasehold (9 Years)
Plot No. 8203, Road No. 08, GIDC Industrial Estate, Sachin, Surat 394230, Gujarat, India	**Manufacturing Facility 2** – Headquarters with 2 intermediate buildings for production	Leasehold (99 years, 79 pending from date of purchase in March 2015)
Plot No. 8202/1, Road No. 08, GIDC Industrial Estate, Sachin, Surat 394230, Gujarat, India	Site acquired for expansion	Leasehold (99 Years)
Plot No. 6714, Survey Numbers 252/1/P, Sachin Notified Industrial Area Estate, Talangpur Taluka, Choryasi, Surat-394230, Gujarat	Warehouse	Leasehold (5 Years)
Plot No. 8206/A, GIDC SACHIN, Road No. 82,	Warehouse	Leasehold (5 Years)

Location	Primary Purpose	Freehold or Leasehold Tenure
Surat-394230, Gujarat		
Plot No. 8208 1 and 2P, GIDC Industrial Estate, Sachin Highway Sachin, Surat-394230, Gujarat	Warehouse	Leasehold (5 Years)
Plot No. B-21/5 Block No. 87/88, Hojiwala Industrial Estate, Palsana Highway, Surat-394230, Gujarat	R&D, Pilot Plant, CRAMs and Production	Leasehold (10 Years)

Corporate Social Responsibilities

We have constituted a corporate social responsibility ("CSR") committee of our Board of Directors (the "CSR Committee") and have adopted and implemented a CSR policy on June 20, 2018 and revised on November 18, 2021, pursuant to which we carry out our CSR activities. Our 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 trust, 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. In Fiscal 2021, Fiscal 2020 and Fiscal 2019, we have spent ₹6.53 million, ₹1.93 million and ₹0.93 million on account of our CSR activities. For the nine months ended December 31, 2021, the Company has spent ₹11.22 million on account of CSR activities.

Recent Developments – COVID 19 Pandemic

The outbreak of COVID-19 was declared a pandemic by the World Health Organization on March 11, 2020, and as of the date of this Prospectus, it is still ongoing and rapidly evolving. The GoI initiated a nation-wide lockdown from March 24, 2020 that lasted until May 31, 2020 and has been extended periodically by varying degrees by state governments and local administrations. Although the nationwide lockdown was lifted on June 1, 2020, restrictions on non-essential activities and travel were imposed until August 31, 2020 in multiple states across specific districts that were witnessing increases in COVID-19 cases. The second wave of COVID-19 infections impacted India in April, May and June 2021. The second wave resulted in significant strain on the health infrastructure in the country resulting in several states announcing lockdown measures. The second wave also resulted in a large part of the population working from home and implementing social distancing measures. In June 2021, the COVID-19 reported cases from the second wave declined and the GoI and state governments started gradually easing some of the strict precautionary measures.

As we produce intermediates and specialty chemicals for the pharmaceutical industry and use continuous reaction technologies in manufacturing activities for various products, our manufacturing and research and development activities were determined by the GoI to be essential, which allowed us to continue our operations during the nationwide lockdown. However, restrictions on manpower movement during the lockdown impacted our manufacturing operations and capacity expansion projects, as well as increased our operation costs. We implemented health and safety measures for our manufacturing site employees, including the provision of lodging, boarding, food and other essential arrangements. Such measures allowed our employees to stay at or near our manufacturing facilities, thereby decreasing health risks associated with travel and commuting. Our manufacturing facilities, therefore, continued to operate normally during the first and second waves of COVID-19 infections. During Fiscal 2021, which covered the first wave of COVID-19 from April 2020 to June 2020, we paid additional wages to our employees (for example, to compensate employees who lived far from our manufacturing sites and were unable to commute) in the amount of ₹7.94 million and incurred additional expenses in the amount of ₹3.17 million towards food, lodging and other expenses for the workers. During the nine months ended December 31, 2021, which included the second wave of COVID-19, from April 1, 2021 to December 31, 2021, the Company paid additional wages to our employees in the amount of ₹5.77 million and incurred additional expenses in the amount of ₹1.48 million towards food, lodging and other expenses for these workers. In addition, we were affected in a certain extent by the worldwide logistics issues during the COVID-19 pandemic and we can make no assurance that logistics issues will not further worsen as the pandemic continues.

For further information on the impact of COVID-19 on our business and the risks associated with COVID-19 to our business, see "*Risk Factors – The impact of the COVID-19 pandemic is uncertain and still evolving, and could adversely affect our business, results of operations and financial condition.*" on page 33.

KEY REGULATIONS AND POLICIES IN INDIA

The following description is a summary of certain key statutes, rules, regulations, notifications, memorandums, circulars and policies which are applicable to our Company and the business undertaken by our Company.

The information detailed in this chapter, is based on the current provisions of key statutes, rules, regulations, notifications, memorandums, circulars and policies which are subject to amendments, changes and/or modifications. The information detailed in this chapter has been obtained from sources available in the public domain. The regulations set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to substitute professional legal advice.

Taxation statutes such as the Income Tax Act, 1961, the Customs Act, 1962 and the relevant goods and services tax legislation apply to us as they do to any other company. For details of government approvals obtained by our Company, see "Government and Other Approvals" beginning on page 325.

Laws in relation to our business

The Factories Act, 1948 ("Factories Act")

The term '*factory*', as defined under the Factories Act, includes any premises which employs or has employed on any day in the previous 12 months, 10 or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 or more workmen are employed at any day during the preceding 12 months and in which any manufacturing process is carried on without the aid of power. State Governments have issued rules in respect of the prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act mandates the '*occupier*' of a factory to ensure the health, safety and welfare of all workers in the factory premises. Further, the "*occupier*" of a factory is also required to ensure (i) the safety and proper maintenance of the factory such that it does not pose health risks to persons in the factory premises; (ii) the safe use, handling, storage and transport of factory articles and substances; (iii) provision of adequate instruction, training and supervision to ensure workers' health and safety; and (iv) cleanliness and safe working conditions in the factory premises. If there is a contravention of any of the provisions of the Factories Act or the rules framed thereunder, the occupier and manager of the factory may be punished with imprisonment or with a fine or with both.

The Contract Labour (Regulation and Abolition) Act, 1970 (the "CLRA Act")

The CLRA Act has been enacted to regulate the employment of contract labour in certain establishments, the regulation of their conditions and terms of service and to provide for its abolition in certain circumstances. The CLRA Act applies to every establishment in which 20 or more workmen are employed or were employed on any day of the preceding 12 months as contract labour. The CLRA Act vests the responsibility on the principal employer of an establishment to which the CLRA Act applies to make an application to the registered officer in the prescribed manner for registration of the establishment. In the absence of registration, a contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA Act applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. The principal employer is under an obligation to provide various facilities as provided under the CLRA Act, within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA Act. The Occupational Safety, Health and Working Conditions Code, 2020 (enacted by the Parliament of India and assented to by the President of India on September 28, 2020) will come into force on such date as may be notified in the official gazette by the Central Government and different dates may be appointed for different provisions of the Occupational Safety, Health and Working Conditions Code, 2020. Once effective, it will subsume, inter alia, the Factories Act and the CLRA Act.

The Indian Boilers Act, 1923 ("Boilers Act") and the Indian Boiler Regulations, 1950 ("Boiler Regulations")

The Boilers Act seeks to regulate *inter alia*, the manufacture, possession and use of boilers. In terms of the provisions of the Boilers Act, an owner of a boiler is required to get the boiler registered and certified for its use, by an inspector appointed by the relevant State Government. The Boiler Regulations have been framed under the Boilers Act. The Boiler Regulations deal with the materials, procedure and inspection techniques to be adopted for the manufacture of boilers and boiler mountings and fittings. In the event of the use of boilers in non-compliance with the Boilers Act, a fine may be imposed on the owner of such boiler and in certain cases, imprisonment as well.

The Public Liability Insurance Act, 1991 ("PLI Act")

The PLI Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the government by way of a notification. Under the law, the owner or handler is also required to take out an insurance policy insuring against liability. The rules made under the PLI Act mandates the employer to contribute towards the Environmental Relief Fund a sum equal to the premium paid on the insurance policies.

Legal Metrology Act, 2009 ("LM Act") and the Legal Metrology (Packaged Commodities) Rules, 2011 ("Packaged Commodity Rules")

The LM Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number. The LM Act and rules framed thereunder regulate *inter alia*, the labelling and packaging of commodities, verification of weights and measures used, and lists penalties for offences and compounding of offences under it. The Controller of Legal Metrology Department is the competent authority to grant the licence under the LM Act. Any manufacturer dealing instruments for weights and measuring of goods must procure a license from the state department under the LM Act. Any non-compliance or violation under the LM Act may result in *inter alia* a monetary penalty on the manufacturer or seizure of goods or imprisonment in certain cases. The Packaged Commodity Rules prescribes section 52(2) (j) and (q) for the regulations for pre-packing and the sale of commodities in a packaged form, certain rules to be adhered to by wholesale and retail dealers, the declarations to be made on every package, the manner in which the declarations shall be made, etc. These declarations that are required to be made include, *inter alia*, the name and address of the manufacturer, the dimensions of the commodity and the weight and measure of the commodity in the manner as set forth in the Packaged Commodity Rules. The Packaged Commodity Rules were amended in the year 2017 to increase protection granted to consumers. Some recent additions include increased visibility of retail price, removal of dual MRP and bringing e-commerce within the ambit of these rules.

Foreign Trade (Development and Regulation) Act, 1992 ("FTA")

The FTA seeks to increase foreign trade by regulating imports and exports to and from India. It authorizes the government to formulate as well as announce the export and import policy and to keep amending the same on a timely basis. The government has also been given a wide power to prohibit, restrict and regulate the exports and imports in general as well as specified cases of foreign trade. The principal objectives include the facilitation of sustain growth as to the exports of the country, the distribution of quality goods and services to the domestic consumer at internationally competitive prices, stimulation of sustained economic growth by providing access to essential raw materials as well as enhancement of technological strength, industry as well as services and improvement of their competitiveness to meet all kinds of requirement of the global markets. . The FTA read with the Indian Foreign Trade Policy, 2015-20 (extended till March 31, 2021) provides that no person or company can make exports or imports without having obtained an importer exporter code ("**IEC**") number unless such person or company is specifically exempted. An application for an importer exporter code number has to be made to the Office of the Director General of Foreign Trade, Ministry of Commerce ("**DGFT**"). The Director General is authorised to suspend or cancel IEC in case of (i) contravention by any person any of the provisions of the Foreign Trade Act or any rules or orders made thereunder or the foreign trade policy or any other law for the time being in force relating to Central excise or customs or foreign exchange or person has committed any other economic offence under any other law for the time being in force as may be specified by the Central Government or (ii) making an export or import in a manner prejudicial to the trade relations of India with any foreign country or to the interests of other persons engaged in imports or exports or has brought disrepute to the credit or the goods of, or services or technology provided from, the country; or (iii) importing or exporting specified goods or services or technology, in contravention of any provision of the Foreign Trade Act or any rules or orders made thereunder or the foreign trade policy. Where any IEC number granted to a person has been suspended or cancelled, the person shall not be entitled to import or export any goods or services or technology except under a special licence, granted by the Director General to that person in a manner and subject to conditions as may be prescribed. An importer-exporter code number allotted to an applicant is valid for all its branches, divisions, units and factories. Failure to obtain the IEC number shall attract penalty under the FTA.

The DGFT by way of a notification dated May 24, 2019 (the "**Ethyl Alcohol Notification**"), has amended the import policy of biofuels under chapter 22, 27 and 38 of ITC(HS), 2017, Schedule -I. Pursuant to the Ethyl Alcohol Notification, the import of ethyl alcohol and other spirits, which are denatured is "restricted" for all purposes. Any import of ethyl alcohol, in a denatured form will require an import license from the DGFT.

The Explosives Act, 1884 ("***Explosives Act***")

The Explosives Act is a comprehensive law which regulates by licensing for the manufacturing possession, sale, transportation, export and import of explosives. As per the definition of 'explosives' under the Explosives Act, any substance, whether a single chemical compound or a mixture of substances, whether solid or liquid or gaseous, used or manufactured with a view to produce a practical effect by explosion or pyrotechnic effect shall fall under the Explosives Act. The Central Government may, for any part of India, make rules consistent with this act to regulate or prohibit, except under and in accordance with the conditions of a license granted as provided by those rules, the manufacture, possession, use sale, transport, import and export of explosives, or any specified class of explosives. Extensive penalty provisions have been provided for manufacture, import or export, possession, usage, selling or transportation of explosives in contravention of the Explosives Act.

The Petroleum Act, 1934 ("Petroleum Act") and Petroleum Rules, 2002

The Petroleum Act was passed to consolidate and amend the laws relating to the import, transport, storage, production, refining and blending of petroleum. Under the Petroleum Rules, 2002, any person intending to store furnace oil/petroleum, of such class and in such quantities, otherwise than under a license shall take the approval of the Chief Controller before commencing storage.

The Narcotic Drugs and Psychotropic Substances, Act, 1985 ("NDPS Act") and the Narcotic Drugs and Psychotropic Substances (Regulation of Controlled Substances) Order, 2013 ("NDPS Order")

The NDPS Act is a legal framework which seeks to control and regulate operations relating to narcotic drugs and psychotropic substances. It prohibits, *inter alia*, the production, manufacture, possession, sale, purchase, transportation, warehousing, consumption, inter-state movement, transhipment and import and export of narcotic drugs and psychotropic substances, except for medical or scientific purposes, and in the manner and to the extent permissible by the NDPS Act or any rules framed thereunder. It also controls and regulates controlled substances which can be used in the manufacturing of narcotic drugs and psychotropic substances. Offences under the NDPS Act are essentially related to violations of the various prohibitions imposed under the NDPS Act, punishable by both imprisonment and monetary fines. The NDPS Order classifies certain substances including, acetic anhydride and anthranilic acid as "controlled substances" in Schedule A of the NDPS Order. The NDPS Order requires for every person on entity who is engaged in the manufacturing, trade, possession and consumption of the "controlled substances" classified under Schedule-A of the NDPS Order to obtain a unique registration number issued by the Zonal Director of Narcotics Bureau.

The Static and Mobile Pressure Vessels (Unfired) Rules 2016 ("SMPV Rules")

The SMPV Rules regulate the manufacture, filling, delivery, import, modification and repair of pressure vessels. Under the SMPV Rules, licenses are required to be obtained for storage and transportation of compressed gas. The SMPV Rules also prescribe conditions under which the licenses can be amended, renewed, suspended or cancelled.

Environmental laws

***The Environment (Protection) Act, 1986* ("*EPA*")**

The EPA has been enacted for the protection and improvement of the environment. It stipulates that no person carrying on any industry, operation or process shall discharge or emit or permit to be discharged or emitted any environmental pollutant in excess of such standards as may be prescribed. Further, no person shall handle or cause to be handled any hazardous substance except in accordance with such procedure and after complying with such safeguards as may be prescribed. EPA empowers the Central Government to take all measures necessary to protect and improve the environment such as laying down standards for emission or discharge of pollutants, providing for restrictions regarding areas where industries may operate and generally to curb environmental pollution. 178 For contravention of any of the provisions of the EP Act or the rules framed thereunder, the punishment includes either imprisonment or fine or both. Additionally, under the EIA Notification and its subsequent amendments, projects are required to mandatorily obtain environmental clearance from the concerned authorities depending on the potential impact on human health and resources.

Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")

The Water Act aims to prevent and control water pollution and to maintain or restore wholesomeness of water. This is the first law passed in India whose objective was to ensure that the domestic and industrial pollutants are not discharged into rivers, and lakes without adequate treatment. The reason is that such a discharge renders the water unsuitable as a source of drinking water as well as for the purposes of irrigation and support marine life. The Water Act provides for one Central Pollution Control Board, as well as state pollution control boards, to be formed to implement its provisions, including enforcement of standards for factories discharging pollutants into water bodies. Any person intending to establish any industry, operation or process or any treatment and disposal system likely to discharge sewage or other pollution into a water body, is required to obtain the consent of the relevant state pollution control board by making an application.

Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")

The Air Act aims to prevent, control and abate air pollution, and stipulates that no person shall, without prior consent of the relevant state pollution control board, establish or operate any industrial plant which emits air pollutants in an air pollution control area. They also cannot discharge or cause or permit to be discharged the emission of any air pollutant in excess of the standards laid down by the State Boards. The Central Pollution Control Board and the state pollution control boards constituted under the Water Act perform similar functions under the Air Act as well. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to establishing or operating such industrial plant.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 ("Hazardous Waste Rules")

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to dispose of such waste without harming the environment. The term "*hazardous waste*" has been defined in the Hazardous Waste Rules and any person who has, control over the affairs of the factory or the premises or any person in possession of the hazardous waste has been defined as an "*occupier*". Every occupier and operator of a facility generating hazardous waste must obtain authorization for generation, processing, treatment, package, storage, transportation, use, collection, destruction, conversion, offering for sale, transfer or the like of the hazardous waste from the relevant state pollution control board. Further, the occupier, importer or exporter is liable for damages caused to the environment resulting from the improper handling and disposal of hazardous waste and must pay any financial penalty that may be levied by the respective state pollution control board.

The Chemical Accidents (Emergency Planning, Preparedness and Response) Rules, 1996 ("Chemical Accidents Rules")

The Chemical Accidents Rules, formulated pursuant to the provisions of the EPA, seek to manage the occurrence of chemical accidents, by *inter alia*, setting up a central crisis group and a crisis alert system. The functions of the central crisis group *inter alia* include, (i) conducting post-accident analysis of major chemical accidents; (ii) rendering infrastructural help in the event of a chemical accident; and (iii) review district off site emergency plans.

The Manufacture, Storage and Import of Hazardous Chemical Rules, 1989 ("HCR Rules")

The HCR Rules are formulated under the EPA. The HCR Rules are applicable to an industrial activity in which a hazardous chemical which satisfies certain criteria as listed in the schedule thereto, and to an industrial activity in which there is involved a threshold quantity of hazardous chemicals as specified in the schedule thereto. The occupier of a facility where such industrial activity is undertaken has to provide evidence to the prescribed authorities that he has identified the major accident hazards and that he has taken steps to prevent the occurrence of such accident and to provide to the persons working on the site with the information, training and equipment including antidotes necessary to ensure their safety. Where a major accident occurs on a site or in a pipeline, the occupier shall forthwith notify the concerned authority and submit reports of the accident to the said authority. Furthermore, an occupier shall not undertake any industrial activity unless he has submitted a written report to the concerned authority containing the particulars specified in the schedule to the HCR Rules at least three months before commencing that activity or before such shorter time as the concerned authority may agree.

Intellectual Property laws

The Trade Marks Act, 1999 ("Trademarks Act")

The Trademarks Act provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement. The Trademarks Act also prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for infringement, falsifying and falsely applying for trademarks.

The Patents Act 1970 ("Patents Act")

The Patents Act governs the patent regime in India. A patent under the Patents Act is an intellectual property right relating to inventions and grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling and importing the patented product or process or produce that product. Being a signatory to the Agreement on Trade Related Aspects of Intellectual Property Rights, India is required to recognize product patents as well as process patents. In addition to the broad requirement that an invention must satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection, the Patents Act further provides that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the above criteria.

The Copyright Act, 1957

The Copyright Act, 1957, along with the Copyright Rules, 2013 ("**Copyright Laws**") governs copyright protection in India. Even while copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration under the Copyright Laws acts as a *prima facie* evidence of the particulars entered therein and helps expedite infringement proceedings and reduce delay caused due to evidentiary considerations. The Copyright Laws prescribe a fine, imprisonment or both for violations, with enhanced penalty on second or subsequent convictions.

Labour related legislations

Depending upon the nature of the activity undertaken by us, the applicable labour enactments other than state-wise shops and establishments acts includes the following:

- The Apprentices Act, 1961;
- The Contract Labour (Regulation and Abolition) Act, 1970;
- The Employee's Compensation Act, 1923;
- Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979;
- The Payment of Gratuity Act, 1972;
- The Payment of Bonus Act, 1965;
- The Maternity Benefit Act, 1961;
- The Minimum Wages Act, 1948;
- The Employees' State Insurance Act, 1948;
- The Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
- The Payment of Wages Act, 1936;
- The Industrial Disputes Act, 1947;
- The Trade Unions Act, 1926;
- Industrial Employment (Standing Orders) Act, 1946;
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- The Equal Remuneration Act, 1976; and
- The Child Labour (Prohibition and Regulation) Act, 1986

In order to rationalize and reform labour laws in India, the GoI has notified four labour codes which are yet to come into force as on the date of this Prospectus, namely, (i) the Code on Wages, 2019 which will repeal the Payment of Bonus Act, 1965, Minimum Wages Act, 1948, Equal Remuneration Act, 1976 and the Payment of Wages Act, 1936, (ii) the Industrial Relations Code, 2020 which will repeal the Trade Unions Act, 1926, Industrial Employment (Standing Orders) Act, 1946 and Industrial Disputes Act, 1947, (iii) the Code on Social Security, 2020 which will repeal certain enactments including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Maternity Benefit Act, 1961, Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 and the Payment of Gratuity Act, 1972 and (iv) the Occupational Safety, Health and Working Conditions Code, 2020 which will repeal certain enactments including the Factories Act, 1948, Motor Transport Workers Act, 1961 and the Contract Labour (Regulation and Abolition) Act, 1970.

Competition Act, 2002 ("Competition Act")

The Competition Act is an act to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The act deals with prohibition of (i) certain agreements such as anti-competitive agreements and (ii) abuse of dominant position and regulation of combinations. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Competition Act.

The prima facie duty of the Competition Commission of India ("**Commission**") is to eliminate practices having adverse effect on competition, promote and sustain competition, protect interest of consumer, and ensure freedom of trade. The Commission shall issue notice to show cause to the parties to combination calling upon them to respond within 30 days in case it is of the opinion that there has been an appreciable adverse effect on competition in India. In case a person fails to comply with the directions of the Commission and Director General (as appointed under Section 16(1) of the Competition 167 Act) he shall be punishable with a fine which may exceed to ₹0.1 million for each day during such failure subject to maximum of ₹10.0 million, as the Commission may determine.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was incorporated as Aether Industries Limited on January 23, 2013 at Surat, as a public limited company under the Companies Act, 1956 and received the certificate for commencement of business from RoC on March 18, 2013.

Changes in Registered Office

The details of changes in the registered office of our Company are given below:

Date of change of Registered Office	Details of the address of Registered Office	Reason
May 1, 2019	From SY. No. 35, Plot No. 40, "Aangan", Jaldarshan Society, BH Gokul Row House, Umra, Surat- 395007, Gujarat to Plot No. 8203, GIDC, Sachin, Surat- 394520, Gujarat	Operational purposes
May 1, 2019	From Plot No. 8203, GIDC, Sachin, Surat- 394520, Gujarat to Plot No. 8203, GIDC Sachin, Surat- 394230, Gujarat on account of correction of the postal code	Correction of the pincode mentioned in the address

Main Objects of our Company

The main objects contained in the Memorandum of Association of our Company are as follows:

1. *To carry on in India or elsewhere the business of producing, processing, manufacturing, formulating, using, acquiring, storing, refining, packing, transporting, distributing, importing, exporting and dealing in every kind and description of chemicals, organic or inorganic chemicals, fluoro chemicals, heavy chemicals, fine and speciality chemicals, acids, alkalies, agrochemicals, laboratory chemicals, nitrates, fluorides, sulphates, sulphur, sulphur salts, carbon black, caustic soda, soda ash and all kinds of industrial chemicals.*

2. *To carry on in India or elsewhere the business of processing, converting, producing, manufacturing, formulating, using, buying, acquiring, storing, packing, selling, marketing, transporting, importing, exporting and disposing of all types textiles auxiliary, dyes, colours, textile intermediaries, bio-chemicals, pesticides, fungicides, germicides, insecticides, weedicides, dye-stuffs, intermediaries, acids varnishes, paints, pigments, synthetic resins, plasticizers, cosmetics, powders, creams, preparation of the teeth, toilet requisites, detergents, surface active agents, cleaning agents and soaps.*

3. *To carry on business as organizer, developer, contractor or owner of dealer or any land, residential building, commercial buildings, shops, offices, or any other buildings and for the purposes to purchase, take on lease, acquire, hold, develop, prepare, building sites, construct, reconstruct, repair, maintain, pull down, alter, improve, decrease, furnish, sell, market, give on hire, purchase or on instalment or deal in any lands, residential buildings, commercial buildings, shops, offices, club houses, works and sanitary conveniences of all kinds and to lay out roads, drainage pipes, water pipes and electric installations and to set apart lands for pleasure, gardens and recreation grounds or improve the land or any part thereof.*

The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out and the activities proposed to be undertaken pursuant to the objects of the Offer. For further details, please see the section entitled "*Objects of the Offer*" on page 92.

Amendments to the Memorandum of Association

Set out below are the amendments to our Memorandum of Association in the 10 years preceding the date of this Prospectus.

Date of Shareholders' Resolution	Particulars
February 25, 2013	Pursuant to the resolution passed at the extra-ordinary general meeting dated February 25, 2013 the clause V of the MoA was amended to increase the authorized share capital from ₹ 10,00,000/- (Rupees Ten Lacs Only) divided into 1,00,000 (One Lakh) Equity Shares of ₹ 10/- (Rupees Ten) each to ₹ 10,00,00,00/- (Rupees Ten Crore only) divided into 1,00,00,000 (One Crore) Equity Shares of ₹10/- (Rupees Ten) each.
October 28, 2015	Pursuant to the resolution passed at the extra-ordinary general meeting dated October 28, 2015 the clause V of the MoA was amended to increase the authorized share capital of the Company from the existing ₹ 10,00,00,00/- (Rupees Ten Crore Only) divided into 1,00,00,000 (One Crore) Equity Shares of ₹10/- (Rupees Ten) each to ₹ 35,00,00,000/- (Rupees Thirty Five Crore) divided into 1,00,00,000 (one Crore) Equity Shares of ₹ 10/- (Rupees Ten only) each divided into 2,50,00,000 (Two Crore Fifty Lakh) Preference Shares of ₹10/- (Rupees Ten only) each.
February 6, 2021	Pursuant to the resolution passed at the extra-ordinary general meeting dated February 6, 2021 the clause V of the MoA was amended to increase the authorized share capital of the Company from the existing ₹ 35,00,00,000/- (Rupees Thirty Five Crore Only) divided into 1,00,00,000 (One Crore) Equity Shares of ₹ 10/- (Rupees Ten only) each and 2,50,00,000 (Two Crore Fifty Lakh) Preference Shares of ₹10/- (Rupees Ten only) each to ₹ 40,00,00,000/- (Rupees Forty Crore Only) divided into 4,00,00,000 (Four Crore) Equity Shares of ₹ 10/- (Rupees Ten only) each.
September 18, 2021	Pursuant to the resolution passed at the annual general meeting dated September 18, 2021 the clause V of the MoA was amended to increase the authorized share capital of the Company from the existing ₹ 40,00,00,000/- (Rupees Forty Crore Only) divided into 4,00,00,000 (Four Crore) Equity Shares of ₹ 10/- (Rupees Ten only) each to ₹ 1,400,000,000/- (Rupees One Hundred Forty Crore Only) divided into 14,00,00,000 (Fourteen Crore) Equity Shares of ₹ 10/- (Rupees Ten only) each.

Major events and milestones of our Company

The table below sets forth the major events and milestones in the history of our Company:

Financial Year	Particulars
2013	Incorporation of the Company
	Commencement of R&D operations at Manufacturing Facility 1
2014	Commenced the Pilot-Plant Operation at Manufacturing Facility 1
	Implementation of the in-house developed web / mobile portal for employees – AIRIS (Aether Integrated Resources Information System)
	Implementation of the SAP B-1 ERP System
	Company team grows to over 50 employees
2015	Acquired land of 10500 Sq. Mtr. at Manufacturing Facility 2 (Plot No. 8203) and commenced the construction for two production facilities
	Company team grows to over 100 employees
2016	Completed the construction of two production facilities and started commercial production at Manufacturing Facility 2 (Plot No. 8203)
	Started commercial production of our signature product 4MEP
	Company team grows to over 200 employees
2017	Expansion of the QA / QC facility at Manufacturing Facility 1
	Company team grows to over 300 employees
2018	Achieved the turn-over of ₹ 1,000 Million
	Started commercial production of our signature product OTBN
2019	Achieved the turn-over of ₹ 2,000 Million
	Added a warehouse at Plot No. 6,714, GIDC Sachin
	Started commercial production of our signature product MMBC
	Company team grows to over 400 employees
2020	Achieved the turn-over of ₹ 3,000 Million

	Pilot plant of the Company was expanded at Manufacturing Facility 1
	Added a unit for expansion of R&D and Pilot Plant at Manufacturing Facility 1
	Received the recognition from Department of Scientific and Industrial Research at Manufacturing Facility 1 for R & D Facilities
	Added a Warehouse at Plot No. 8,206, GIDC Sachin
	Commenced the construction of Solvent Recovery Plant at Manufacturing Facility 2
	Implemented in-house developed web-based safety / mobile based safety / security system
	Completed the construction of the remaining production facilities at Manufacturing Facility 2 and started commercial production
	Company team grows to 500 employees
2021	Achieved the turn-over of ₹ 4,500 Million
	Launched commercial production of BFA
	Added a warehouse at Plot No. 8208, GIDC Sachin
	Acquired land of 5,250 Sq. Mtrs. at Proposed Greenfield Project from GIDC and started construction.
	Company team grows to over 700 employees

Key Awards, Accreditations and Recognition

Our Company has received the following key awards, accreditation and recognition:

Year	Award/Accreditation
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)

Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation by our Company in the last ten years

Our Company has neither acquired or divested any business or undertaking nor has undertaken any merger or amalgamation in the ten years preceding the date of this Prospectus:

Guarantees given by the Promoter Selling Shareholder

The Promoter Selling Shareholder has issued guarantee in connection with the financing facilities availed by our Company as disclosed below.

Guarantee given in favour of	Guarantee Value (in ₹ million)	Reason for the Guarantee	Obligation on our Company	Period of guarantee	Financial implication in case of default	Security Available	Consideration, if any
HDFC Bank Limited	To the extent of borrowing	Personal guarantee as collateral security as per terms agreed with Banks	None	Till the borrowing is enjoyed by the Company	The Promoter Selling Shareholder will have to pay the amount upon failure of repayment by the Company to the extent of amount unpaid.	Individual property	None
State Bank of India	To the extent of borrowing	Personal guarantee as collateral security as per terms agreed with Banks	None	Till the borrowing is enjoyed by the Company	The Promoter Selling Shareholder will have to pay the amount upon failure of repayment by the Company to the extent of amount unpaid.	Individual property	None

Revaluation of assets in the last ten years

Our Company has not undertaken any revaluation of its assets in the ten years preceding the date of this Prospectus.

Launch of key products or services, entry into new geographies or exit from existing markets, capacity/ facility creation or location of plants

For information on key products or services launched by our Company, entry into new geographies or exit from existing markets, capacity/facility creation, location of our manufacturing facilities, please see the section entitled "*Our Business*" on page 153.

Defaults or rescheduling/restructuring of borrowings with financial institutions/banks

There have been no defaults or rescheduling or restructuring of borrowings with financial institutions/banks in respect of our current borrowings from lenders. For further information of our financing arrangements, please see the section entitled "*Financial Indebtedness*" on page 318.

Time and cost overruns

There have been no time and cost overruns in the implementation of any of our projects.

Significant Strategic or Financial Partners

Our Company does not have any significant strategic or financial partners as on the date of this Prospectus.

Our Holding Company

As on the date of this Prospectus, our Company does not have a holding company.

Our Subsidiaries

As on the date of this Prospectus, our Company does not have any subsidiaries.

Joint Ventures

Our Company does not have any Joint ventures.

Shareholders' Agreements

Share Subscription Agreement dated November 23, 2021 entered into by and amongst the Company, India Acorn Fund Ltd and Ashoka India Equity Investment Trust Plc (the "SSA 1")

Pursuant to the SSA 1, India Acorn Fund Ltd and Ashoka India Equity Investment Trust Plc (collectively, the "**New Investors – I**") have subscribed to 318,820 Equity Shares each (the "**Subscription Shares**") for a consideration of ₹ 204,682,440 each ("**Consideration**").

Further, each of the New Investors I has a right to require our Company to buy-back (subject to compliance with applicable law) their respective Equity Shares allotted to each of them on November 27, 2021, if the Equity Shares are not listed on the Stock Exchanges, on or before the expiry of 12 months from November 27, 2021 at the price at which Equity Shares were allotted to the New Investors I or the Company decides not to proceed with the listing prior to the expiry of 12 months from November 27, 2021, at 1% interest per annum calculated from November 27, 2021 till the date of actual payment to the respective New Investor I ("**Purchase Consideration**"), subject to applicable law. Further, if the Company is unable to buy-back the said Equity Shares from the New Investors I for the Purchase Consideration, the Company shall cause a non-resident purchaser to purchase the said Equity Shares for the Purchase Consideration. Moreover, if the Equity Shares allotted on November 27, 2021 are not listed on the Stock Exchanges on or before expiry of 12 months from November 27, 2021 or the Company decides not to proceed with the listing prior to the expiry of 12 months from November 27, 2021, the Company shall create a fixed deposit of an amount equivalent to the price at which Equity Shares were allotted to the New Investors I and mark a lien on the said fixed deposit in favour of the New Investors I.

Share Subscription Agreement dated November 23, 2021 entered into by and amongst the Company and IIFL Special Opportunities Fund- Series 9 (the "SSA 2")

Pursuant to the SSA 2, IIFL Special Opportunities Fund- Series 9 (the "**New Investor II**") has subscribed to 622,085 Equity Shares (the "**Subscription Shares**") for a consideration of ₹ 399,378,570 ("**Consideration**").

Further, the New Investor II has a right to require our Company to buy-back (subject to compliance with applicable law) its Equity Shares allotted to it on November 27, 2021, if the Equity Shares are not listed on the Stock Exchanges, on or before the expiry of 12 months from November 27, 2021 at the price at which Equity Shares were allotted to the New Investor II or the Company decides not to proceed with the listing prior to the expiry of 12 months from November 27, 2021, at a 1% interest per annum calculated from November 27, 2021 till the date of actual payment to the New Investor II ("**Purchase Consideration**"), subject to applicable law. Further, if the Company is unable to buy-back the said Equity Shares from the New Investor II for the Purchase Consideration, the Company shall cause the existing shareholders of the Company or any third party to purchase the said Equity Shares for the Purchase Consideration. Moreover, if the Equity Shares allotted on November 27, 2021 are not listed on the Stock Exchanges on or before expiry of 12 months from November 27, 2021 the Company shall create a fixed deposit of an amount equivalent to the price at which Equity Shares were allotted to the New Investor II and mark a lien on the said fixed deposit in favour of the New Investors II.

Share Subscription Agreement dated November 23, 2021 entered into by and amongst the Company, Namrata Doshi, Piyush Rameshchandra Doshi, Ruchira Surendra Manjrekar, Surendra Keshav Manjrekar, Sourabh Manjrekar, Ravindra Shridhar Khot, Kamalvijay Ramchandra Tulsian, Pooja Prayank Agarwal, Amit Bharatkumar Tulsian, Ankur Shyamsunder Tulsian, Sanat Sushilkumar Tulsian, Commerce Centre Pharmachem LLP, Dilip Digambar Ravetkar, KP and Sons HUF, Vinodbhai Bhavanbhai Parmar and Ankit Dalmia (the "SSA 3")

Pursuant to the SSA 3, Namrata Doshi, Piyush Rameshchandra Doshi, Ruchira Surendra Manjrekar, Surendra Keshav Manjrekar, Sourabh Manjrekar, Ravindra Shridhar Khot, Kamalvijay Ramchandra Tulsian, Pooja Prayank Agarwal, Amit Bharatkumar Tulsian, Ankur Shyamsunder Tulsian, Sanat Sushilkumar Tulsian, Commerce Centre Pharmachem LLP, Dilip Digambar Ravetkar, KP and Sons HUF, Vinodbhai Bhavanbhai Parmar and Ankit Dalmia, (collectively, the "**New Investors III**") have collectively subscribed to 347,435 Equity Shares (the "**Subscription Shares**") for a total consideration of ₹ 223,053,270 ("**Consideration**").

Further, each of the New Investors III has a right to require our Company to buy-back (subject to compliance with applicable law) their respective Equity Shares allotted to each of them on November 27, 2021, if the Equity Shares are not listed on the Stock Exchanges, on or before the expiry of 12 months from November 27, 2021 at the price at which Equity Shares were allotted to the New Investors III along with a 1% interest per annum calculated from November 27, 2021 till the date of actual payment to the respective New Investor III ("**Purchase Consideration**"), subject to applicable law. Further, if the Company is unable to buy-back the said Equity Shares from the New Investors III for the Purchase Consideration, the Company shall cause the existing shareholders of the Company or any third party to purchase the said Equity Shares for the Purchase Consideration. Moreover, if the Equity Shares allotted on November 27, 2021 are not listed on the Stock Exchanges on or before expiry of 12 months from November 27, 2021 the Company shall create a fixed deposit of an amount equivalent to the price at which Equity Shares were allotted to the New Investors III and mark a lien on the said fixed deposit in favour of the New Investors III.

Share Subscription Agreement dated March 14, 2022 entered into by and amongst the Company and IIFL Special Opportunities Fund- Series 9 (the "SSA 4")

Pursuant to the SSA 4, IIFL Special Opportunities Fund- Series 9 (the "**New Investor IV**") has subscribed to 233,644 Equity Shares (the "**Subscription Shares**") for a consideration of ₹ 14,99,99,448.00 calculated on the basis of ₹ 642 per subscription share ("**Consideration**").

Further, the New Investor IV has a right to ask our Company to buy-back (subject to compliance with applicable law) the Equity Shares allotted to it, if the Equity Shares are not listed on the Stock Exchanges, within 60 days from closing date of the initial term or such extended period agreed upon between parties in writing ("**Initial Term**"), In the event of failure by the Company to perform its obligations, it shall buy-back the subscription within a period of 21 business days from Initial Term or such extended period ageed between the parties in writing ("**Final Term**") in accordance with applicable laws and shall credit the buy-back consideration to the New Investor IV on or before the Final Term provided that the New Investor IV has released the lien on the fixed deposit. Upon completion of the aforesaid buy-back, the parties shall be released from all claims and further obligations in relation of the SSA 4 subject to applicable law. Further, in the event that the Company is unable to complete the buyback within the Final Term the New Investor IV, without prejudice to its rights and remedies, shall have the right to invoke the lien on the fixed deposit and appropriate the proceeds thereof.

Share Subscription Agreement dated March 14, 2022 entered into by and amongst the Company and IIFL Special Opportunities Fund- Series 10 (the "SSA 5")

Pursuant to the SSA 5, IIFL Special Opportunities Fund- Series 10 (the "**New Investor V**") has subscribed to 77,882 Equity Shares (the "**Subscription Shares**") for a consideration of ₹ 5,00,00,244.00 calculated on the basis of ₹ 642 per subscription share ("**Consideration**").

Further, the New Investor V has a right to ask our Company to buy-back (subject to compliance with applicable law) its Equity Shares allotted to it, if the Equity Shares are not listed on the Stock Exchanges, within 60 days from closing date of the initial term or such extended period agreed upon between parties in writing ("**Initial Term**"), In the event of failure the Company to perform its obligations, it shall buy-back the subscription within a period of 21 business days from Initial Term or such extended period agreed between the parties in writing ("**Final Term**") in accordance with applicable laws and shall credit the buy-back consideration to the New Investor V on or before the Final Term provided that the New Investor V has released the lien on the fixed deposit. Upon completion of the aforesaid buy-back, the parties shall be released from all claims and further obligations in relation of the SSA 5 subject to applicable law. Further, in the event that the Company is unable to complete the buy-back within the Final Term the New Investor V, without prejudice to its rights and remedies, shall have the right to invoke the lien on the fixed deposit and appropriate the proceeds thereof.

Share Subscription Agreement dated March 14, 2022 entered into by and amongst the Company and SBI Funds Management Limited (the "SSA 6")

Pursuant to the SSA 6, SBI Funds Management Limited (the "**New Investor VI**") has subscribed to 1,246,106 Equity Shares (the "**Subscription Shares**") for a consideration of ₹ 80,00,00,052.00 calculated on the basis of ₹ 642 per subscription share ("**Consideration**").

Further, the New Investor VI has a right to ask our Company to buy-back (subject to compliance with applicable law) its Equity Shares allotted to it, if the Equity Shares are not listed on the Stock Exchanges, within 60 days from closing date of the initial term or such extended period agreed upon between parties in writing ("**Initial Term**"), In the event of failure the Company to perform its obligations, it shall buy-back the subscription within a period of 21 business days from Initial Term or such extended period agreed between the parties in writing ("**Final Term**") in accordance with applicable laws and shall credit the buy-back consideration to the New Investor VI on or before the Final Term provided that the New Investor VI has released the lien on the fixed deposit to facilities utilization of the same for the purpose of such buy-back. Upon completion of the aforesaid buy-back, the parties shall be released from all claims and further obligations in relation of the SSA 6 subject to applicable law. Further, in the event that the Company is unable to complete the buyback within the Final Term the New Investor VI without prejudice to its rights and remedies, shall have the right to invoke the lien on the fixed deposit and appropriate the proceeds thereof.

Share Subscription Agreement dated March 14, 2022 entered into by and amongst the Company, India Acorn Fund Limited and Ashoka India Equity Investment Trust Plc (the "SSA 7")

Pursuant to the SSA 7, India Acorn Fund Limited and Ashoka India Equity Investment Trust Plc (the "**New Investors VII**") has subscribed to 197,819 Equity Shares and 113,707 Equity Shares, respectively (the "**Subscription Shares**") for a total consideration of ₹ 19,99,99,692.00 calculated on the basis of ₹642 per Subscription Share ("**Consideration**").

Further, the New Investor VII has a right to require our Company to Exit provision in relation to buyback (subject to compliance with applicable law) its Equity Shares allotted to it, if the Equity Shares are not listed on the Stock Exchanges, in India pursuant to the Offer within 60 days from closing date of the initial term or such extended period agreed upon between parties in writing ("**Initial Term**") in the event the Company decides not to proceed with the listing prior to expiry of Initial Term, then it shall inform the Subscribers by way of written notice within two days of such decision ("**Non-Listing Notice**"). In the event (i) the Company decides not to proceed with the Offer, or (ii) fails to perform its obligations, it shall buy-back the subscription within a period of 21 days from (i) the date of the Non-Listing Notice ("**Notice Listing Final Term**"), or (ii) the expiry of the Initial Term ("**Final Term**") (as the case may be). Further, in the event that the Company is unable to buy-back the Subscription Shares at the buy-back consideration for any reason including on account of pricing restrictions under applicable laws, the Company shall cause a Non-Resident Purchaser to purchase the Subscription Shares at the Non Resident Purchase Consideration within a period of 30 days from the Non Listing Final Term or Final Term (as the case may be). At the time if the sale of Subscription Shares to the non-resident purchased, the Subscribers, shall provide representations only with respect to its clear and unencumbered title of the Subscription Shares and authority, capacity to execute necessary documents in relation thereto. The Company or the non resident purchaser (as the case may be) shall credit the buyback consideration or non-resident purchase consideration(as the case may be) to the Subscribers on or before the Non Listing Final Term or Final Term (as the case may be), or within 30 days from the Non-Listing Final Term or Final Term (as the case may be) and simultaneously with the payment if such buy-back consideration on non-resident purchase consideration (as the case may be), the Subscribers shall forthwith release the lien on the Fixed Deposits.

Share Subscription Agreement dated April 28, 2022 entered into by and amongst the Company and The Regents of the University of California – IIFL Asset Management Limited (the "SSA 8")

Pursuant to the SSA 8, The Regents of the University of California – IIFL Asset Management Limited (the "**New Investor VIII**") has subscribed to 155,763 Equity Shares (the "**Subscription Shares**") for a consideration of ₹ 9,99,99,846.00 calculated on the basis of ₹642 per Subscription Share ("**Consideration**").

Further, the New Investor VIII has a right to require our Company to buy-back (subject to compliance with applicable law) its Equity Shares allotted to it, if the Equity Shares are not listed on the Stock Exchanges, within 60 days from closing date of the initial term or such extended period agreed upon between parties in writing ("**Initial Term**"), In the event of failure the Company to perform its obligations, it shall buy-back the subscription within a period of 21 business days from Initial Term or such extended period agreed between the parties in writing ("**Final Term**") in accordance with applicable laws and shall credit the buy-back consideration to the New Investor VIII on or before the Final Term provided that the New Investor VIII has released the lien on the fixed deposit to facilities utilization of the same for the purpose of such buy-back. Upon completion of the aforesaid buy-back, the parties shall be released from all claims and further obligations in relation of the Agreement subject to applicable law. Further, in the event that the Company is unable to complete the buyback within the Final Term the New Investor VIII, without prejudice to its rights and remedies, shall have the right to invoke the lien on the Fixed Deposit and appropriate the proceeds thereof.

Other Agreements

Neither our Promoters nor any of the Key Managerial Personnel, Directors or employees of our Company have entered into an agreement, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with the dealings in the securities of our Company.

Our Company has not entered into any other subsisting material agreement including with strategic partners, joint venture partners or financial partners, which is not in the ordinary course of business carried on by our Company:

OUR MANAGEMENT

Board of Directors

In terms of our Articles of Association, our Company is required to have not less than 3 Directors and not more than 15 Directors. As on the date of this Prospectus, our Board comprises of 12 Directors including the four Executive Directors, eight Non-Executive Directors which further includes six Non-Executive Independent Directors. The Company has three woman Directors. The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act and the SEBI Listing Regulations.

The following table sets forth details regarding our Board of Directors:

Sr. No	Name, date of birth, designation, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
1.	**Ashwin Jayantilal Desai** **Date of Birth:** September 18, 1951 **Designation**: Managing Director **Address**: Aangan, 40, Jaldarshan Society, B/H Gokul Row House Umra, Surat City, SVR College, Surat – 395007, Gujarat, India **Occupation**: Business **Current Term**: Five years commencing from October 1, 2021 until September 30, 2026 **Period of Directorship:** Since January 23, 2013 **DIN**: 00038386	70	**Indian Companies** Globe Enviro Care Limited Aether Foundation **Foreign Companies** Nil
2.	**Purnima Ashwin Desai** **Date of Birth:** January 24, 1954 **Designation**: Whole-time Director **Address**: Aangan, 40, Jaldarshan Society, B/H Gokul Row House Umra, Surat City, SVR College, Surat-395007, Gujarat, India **Occupation**: Business **Current Term**: Five years commencing from October 1, 2021 until September 30, 2026 **Period of Directorship: S**ince January 23, 2013 **DIN**:00038399	68	**Indian Companies** Aether Foundation **Foreign Companies** Nil
3.	**Rohan Ashwin Desai** **Date of Birth:** September 16, 1979 **Designation**: Whole-time Director **Address**: Aangan, 40, Jaldarshan Society, B/H Gokul Row House Umra, Surat City, SVR College, Surat-395007, Gujarat, India **Occupation**: Business	42	**Indian Companies** Aether Foundation **Foreign Companies** Nil

Sr. No	Name, date of birth, designation, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
	Current Term: Five years commencing from October 1, 2021 until September 30, 2026 **Period of Directorship: S**ince January 23, 2013 **DIN**: 00038379		
4.	**Dr. Aman Ashvin Desai** **Date of Birth:** March 30, 1983 **Designation**: Whole-time Director **Address**: Aangan, 40, Jaldarshan Society, B/H Gokul Row House Umra, Surat City, SVR College, Surat- 395007, Gujarat, India **Occupation**: Business **Current Term**: Five years commencing from October 1, 2021 until September 30, 2026 **Period of Directorship:** Since August 25, 2014 **DIN**: 00043633	39	**Indian Companies** Nil **Foreign Companies** Nil
5.	**Kamalvijay Ramchandra Tulsian** **Date of Birth:** February 17, 1951 **Designation**: Chairperson and Non-Executive Director **Address**: 151-C, Jamna Nagar Society, Near Shivaji Park, Ghod Dod Road, Surat- 395007, Gujarat, India. **Occupation**: Business **Current Term**: Liable to retire by rotation **Period of Directorship:** Since May 22, 2018 **DIN**: 00190840	71	**Indian Companies** J R Dyeing and Printing Mills Private Limited Pandesara Infrastructure Limited Gujarat Enviro-Protection and Infrastructure Private Limited Surat Mega Textile Processing Park Assocation **Foreign Companies** Nil
6.	**Ishita Surendra Manjrekar** **Date of Birth:** September 22, 1984 **Designation**: Non-Executive Director **Address**: 111/112, Kuber Tower, A.V. Nagvekar Marg, Prabhadevi, Mumbai- 400025, Maharashtra, India. **Occupation**: Engineer **Current Term:** Liable to retire by rotation **Period of Directorship:** Since June 20, 2018 **DIN**: 06731016	37	**Indian Companies** Sunworks Chemicals Private Limited Sunanda Speciality Coatings Private Limited Sunanda Global Outreach Foundation Sunanda Smile Foundation **Foreign Companies** Nil
7.	**Arun Brijmohan Kanodiya** **Date of Birth:** November 12, 1970	51	**Indian Companies** Nil

Sr. No	Name, date of birth, designation, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
	Designation: Non-Executive Independent Director **Address**: 5A, Arnav Apartment, City Light, Umra, Surat- 395007, Gujarat, India. **Occupation**: Chartered Accountant **Current Term:** Five years commencing from March 1, 2018 **Period of Directorship:** Since March 1, 2018 **DIN**: 03449000		**Foreign Companies** Nil
8.	**Jeevan Lal Nagori** **Date of Birth:** August 10, 1960 **Designation**: Non-Executive Independent Director **Address:** D-1004, Panchsheel Heights, Mahavir Nagar, Kandivali West, Mumbai-400067, Maharashtra, India. **Occupation**: Chartered Accountant **Current Term**: Five years commencing from March 1, 2018 **Period of Directorship:** Since March 1, 2018 **DIN**: 00017939	61	**Indian Companies** Transrail Lighting Limited Ajanma Holdings Private Limited Avik Pharmaceuticals Limited **Foreign Companies** Nil
9.	**Leja Satish Hattiangadi** **Date of Birth:** March 18, 1949 **Designation:** Non-Executive Independent Director **Address:** 1202, Solitaire Building, Orchard Avenue, Hiranandani Gardens, Powai, Mumbai-400076, Maharashtra, India. **Occupation:** Professional (Engineering Consultant) **Current Term:** Three years commencing from October 1, 2021 **Period of Directorship:** Since October 1, 2021 **DIN:** 00198720	73	**Indian Companies** Alkyl Amines Chemical Limited Artson Engineering Limited **Foreign Companies** Nil
10.	**Dr. Amol Arvindrao Kulkarni** **Date of Birth:** December 3, 1976 **Designation:** Non-Executive Independent Director **Address:** E-84, NCL Colony, Dr. Homi Bhabha Road, Pashan, Pune City, Pune, N.C.L Pune – 411008, Maharashtra, India	45	**Indian Companies** Nil **Foreign Companies** Nil

Sr. No	Name, date of birth, designation, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
	Occupation: Senior Principal Scientist, NCL **Current Term:** Three years Commencing from November 17, 2021 **Period of Directorship: S**ince November 17, 2021 **DIN:** 09311097		
11.	**Rajkumar Mangilal Borana** **Date of Birth:** February 10, 1977 **Designation:** Non-Executive Independent Director **Address:** 28, Rajhans Felix Society, Nr. Khatiawala School, Rundh, Surat-395007, Gujarat, India **Occupation:** Business **Current Term:** Three years commencing from November 17, 2021 **Period of Directorship:** Since November 17, 2021 **DIN:** 01091166	45	**Indian Companies** R&B Denims Limited Borana Filaments Private Limited Pandesara Infrastructure Limited **Foreign Companies** Nil
12.	**Jitendra Popatlal Vakharia** **Date of Birth:** April 18, 1951 **Designation:** Non-Executive Independent Director **Address:** 12, Narayan Bunglow, Behind Rajhans Cinema, Dumas Road, Surat City – 395007, Gujarat, India **Occupation:** Business **Current Term:** Three years from November 17, 2021 **Period of Directorship:** Since November 17, 2021 **DIN:** 00191088	71	**Indian Companies** Pandesara Infrastructure Limited Suje Tex Private Limited Surat Mega Textile Processing Park Association **Foreign Companies** Nil

Relationship between our Directors

Sr. No	Name of Directors	Family Relation	Designation
1.	Ashwin Jayantilal Desai	(i) Spouse of Purnima Ashwin Desai; (ii) Father of Rohan Ashwin Desai and Dr. Aman Ashvin Desai; and (iii) Father-in-law of Ishita Surendra Manjrekar	Managing Director
2.	Purnima Ashwin Desai	(i) Spouse of Ashwin Jayantilal Desai; (ii) Mother of Rohan Ashwin Desai and Dr. Aman Ashvin Desai; and (iii) Mother-in-law of Ishita Surendra Manjrekar	Whole-time Director
3.	Rohan Ashwin Desai	(i) Son of Ashwin Jayantilal Desai and Purnima Ashwin Desai; (ii) Brother of Dr. Aman Ashvin Desai and (iii) Son-in-Law of Kamalvijay Ramchandra Tulsian	Whole-time Director

Sr. No	Name of Directors	Family Relation	Designation
4.	Dr. Aman Ashvin Desai	(i) Spouse of Ishita Surendra Manjrekar; (ii) Son of Ashwin Jayantilal Desai and Purnima Ashwin Desai and (iii) Brother of Rohan Ashwin Desai	Whole-time Director
5.	Ishita Surendra Manjrekar	(i) Spouse of Dr. Aman Ashvin Desai and (ii) Daughter-in-law of Ashwin Jayantilal Desai and Purnima Ashwin Desai	Non-Executive Director
6.	Kamalvijay Ramchandra Tulsian	(i) Father-in-Law of Rohan Ashwin Desai	Chairperson Non-Executive Director

Brief Biographies of Directors

Ashwin Jayantilal Desai is the founding Promoter and Managing Director of our Company. He holds a bachelor's degree in Chemical Engineering from Institute of Chemical Technology (ICT, formerly University Department of Chemical Technology, UDCT, Mumbai, 1974). He has been awarded the Distinguished Alumnus award by Indian Chemical Technology in 2010. Ashwin Desai has multiple decades of experience in the speciality chemical industry. Prior to incorporation of our Company, he was the founding member of Anupam Rasayan India Limited and was the Chairman and Managing Director of Anupam Rasayan India Limited till 2013. At the Company, Ashwin Desai is responsible for creating the overall vision of the Company and is actively involved in all techno-commercial departments. He focuses on innovative chemical engineering solutions for our R&D, pilot plant, and production processes and is also responsible for leading our core competency in continuous reaction and flow technology.

Dr. Aman Ashvin Desai is a Promoter and Whole Time Director of our Company. He is responsible for our R&D, pilot plant, and production operations, new projects, and technical business development, and has over 10 years of experience in the speciality chemical industry. Dr. Aman Desai has a bachelor's degree in Chemical Technology (Intermediates and Dyestuff Technology, 2005) from Institute of Chemical Technology (ICT formerly known as University Department of Chemical Technology, UDCT, Mumbai) and has a Doctor of Philosophy (PhD) degree in Organic Chemistry (with a focus on chiral chemistry) from Michigan State University (USA, 2010). His doctoral research was published in the Journal of the American Chemical Society and was also featured in Chemical & Engineering News in 2010. Dr. Aman Desai was then a Project Leader in the Process Development group in Core R&D Headquarters at the Dow Chemical Company in Michigan (USA).Dr. Aman Desai has been awarded the UAA Young Achiever Award in 2018 in the UAA-ICT Distinguished Alumnus Awards from his alma mater, Institute of Chemical Technology, Mumbai, India). He is the author/co-author of 25 publications in international technical journals. He has been granted 4 patents in USA, and these patents are published worldwide.

Rohan Ashwin Desai is a Promoter and Whole Time Director of our Company. He has extensive experience in the speciality chemical industry and looks after the entire commercial portfolio (including sales, finance, strategic procurements, human resources and systems) of our Company. He has a bachelor's degree from South Gujarat University of Commerce (SPB VNSG), Surat. Rohan Desai was previously a Director at Anupam Rasayan India Limited until 2013.

Purnima Ashwin Desai is a Promoter and Whole Time 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. She has a bachelor's degree from the University of Delhi (1975). Purnima Desai was previously a Director at Anupam Rasayan India Limited until 2013.

Kamalvijay Ramchandra Tulsian is the Chairperson and Non-Executive Director of our Company. He holds a diploma in Electrical Engineering and a diploma in Mechanical Engineering, both from the Maharaja Sayajirao University of Baroda (MSU-B). He has multiple decades of experience in the textile and chemical industry.

Ishita Surendra Manjrekar is a Non-Executive Director of our Company. She holds a bachelor's degree in Chemical Engineering from Institute of Chemical Technology (ICT, formerly known as University Department of Chemical Technology, UDCT, Mumbai) and a master's degree in Chemical Engineering from Rensselaer Polytechnic Institute (RPI, USA). She is currently serving as director (Technology) in Sunanda Speciality Coatings Private Limited (Sunanda) and leads their Research and Development department and Business Development. Prior to working at Sunanda, Ishita Manjrekar worked as the Vertical Head (Clean Technology) for Primary Global Research, USA. She is a director on the Board of American Concrete Institute (ACI, USA) and was conferred the ACI Young Member Award for Professional Achievement in 2016.

Arun Brijmohan Kanodiya is a Non – Executive Independent Director of our Company. He has bachelor's degree from the University of Delhi, and he is a Fellow Member of the Institute of Chartered Accountants of India (ICAI). He is a Partner of M/s. KSA & Co, Chartered Accountants (Surat). He has over 15 years of experience in chartered accountancy and finance.

Jeevan Lal Nagori is a Non – Executive Independent Director of our Company. He has a bachelor's degree from University of Udaipur, and he is a Fellow Member of the Institute of Chartered Accountants of India (ICAI). He has experience in chartered accountancy.He was previously associated with IPCA Laboratories Limited for 34 years, as the President of Project.

Leja Satish Hattiangadi is a Non-Executive Independent Director our Company. She holds a bachelor's degree in Chemical Engineering from Indian Institute of Technology (IIT, Bombay) and a Master's degree in Chemical Engineering from Lowell Technological Institute (Massachusetts, USA). She has been elected as a Member of the American Institute of Chemical Engineers (AIChE). She has multiple decades of experience in the engineering contracting and chemical industry. She has previously worked at Tata Consulting Engineers Limited (a TATA Enterprise). She has also previously worked at Jacobs India for 9 years as Director (Business Development). During her tenure at Jacobs India, she was also a Whole Time Director of the Board. Leja Satish Hattiangadi is presently an Adjunct Professor in the Department of Chemical Engineering, Indian Institute of Technology (IIT, Bombay). She is also currently serving as an Independent Director on the Board of M/s. Alkyl Amines Chemicals Limited and M/s. Artson Engineering Limited**.**

Dr. Amol Arvindrao Kulkarni is a Non-Executive Independent Director of our Company. He is currently a Senior Principal Scientist in the Chemical Engineering & Process Development Division at the National Chemical Laboratory (NCL, Pune). He holds a bachelor's degree, a masters' degree and a Doctor of Philosophy (PhD) degree in Chemical Engineering from the Institute of Chemical Technology, University of Mumbai (ICT, formerly known as University Department of Chemical Technology , UDCT, Mumbai).He was also a Post Doctorate at the Max Planck Inst. Magdeburg (Germany)and IUSSTF Research Fellow at Massachusetts Institute of Technology (MIT, USA). Dr. Amol Arvindrao Kulkarni has established the first of its kind microreactor laboratory in India. He is the recipient of numerous awards including the prestigious Shanti Swaroop Bhatnagar Award in Engineering Sciences (2020), VASVIK award for technology development (2016), Young Associate of Indian Academy of Sciences (2011), CSIR Young Scientist Award (2011), and Indian National Science Academy's (INSA) Medal for Young Scientists (2009). He is the author/co-author of 138 publications in international technical journals and has been granted 17 patents in India, USA, and worldwide. He has been inducted as a Fellow of the Indian National Academy of Engineering (INAE).

Rajkumar Mangilal Borana is a Non-Executive Independent Director of our Company. He holds a bachelor's degree from Veer Narmad South Gujarat University (Surat). He has extensive experience in the textile industry and is currently associated with R&B Denim Limited.

Jitendra Popatlal Vakharia is a Non-Executive Independent Director of our Company. He holds a diploma in Textile Chemistry from the Maharaja Sayajirao University of Baroda (MSU-B). He has multiple decades of experience in the chemical and textile industry. He is currently serving as a partner at Narayan Processors and a Director at Pandesara Infrastructure Limited.

Confirmations

None of our Directors is or was a director of any company listed on any stock exchange, whose shares have been or were suspended from being traded during the five years preceding the date of this Prospectus, during the term of his/her directorship in such company.

None of our Directors is, or was a director of any listed company, which has been or was delisted from any stock exchange, during the term of his/her directorship in such company.

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which they are interested as a member by any person either to induce them to become, or to help them qualify as a Director, or otherwise for services rendered by them or by the firm or company in which they are interested, in connection with the promotion or formation of our Company.

Terms of appointment of Executive Directors

Ashwin Jayantilal Desai

Ashwin Jayantilal Desai has been a director of the Company since January 23, 2013. He was appointed as Managing Director of our Company with effect from January 23, 2013. He was re-appointed as a Managing Director pursuant to resolution by the Board dated September 4, 2021 and Shareholder's resolution dated September 18, 2021 for a period of five years commencing from October 1, 2021 until September 30, 2026. The Shareholders have approved his remuneration pursuant to Shareholder's resolution dated September 18, 2021. The details of remuneration governing his appointment are as stated below:

Particulars	Remuneration (In ₹)
Remuneration	₹ 1.00 million per month (subject to annual increment)
Benefits	Incentives as approved by the Board and reimbursement of expenses incurred for operational activities of the Company

Purnima Ashwin Desai

Purnima Ashwin Desai has been a director of the Company since January 23, 2013. She was appointed as Executive Director of our Company with effect from January 23, 2013. She was re-appointed as a Whole-time Director pursuant to resolution by the Board dated September 4, 2021 and Shareholder's resolution dated September 18, 2021 for a period of five years commencing from

October 1, 2021 until September 30, 2026. The Shareholders have approved her remuneration pursuant to Shareholder's resolution dated September 18, 2021. The details of remuneration governing her appointment are as stated below:

Particulars	Remuneration (In ₹)
Remuneration	₹ 1.00 million per month (subject to annual increment)
Benefits	Incentives as approved by the Board and reimbursement of expenses incurred for operational activities of the Company

Rohan Ashwin Desai

Rohan Ashwin Desai has been a director of the Company since January 23, 2013. He was appointed as Executive Director of our Company with effect from January 23, 2013. He was re-appointed as a Whole-time Director pursuant to resolution by the Board dated September 4, 2021 and Shareholder's resolution dated September 18, 2021 for a period of five years commencing from October 1, 2021 until September 30, 2026. The Shareholders have approved his remuneration pursuant to Shareholder's resolution dated September 18, 2021. The details of remuneration governing his appointment are as stated below:

Particulars	Remuneration (In ₹)
Remuneration	₹ 1.00 million per month (subject to annual increment)
Benefits	Incentives as approved by the Board and reimbursement of expenses incurred for operational activities of the Company

Dr. Aman Ashvin Desai

Dr. Aman Ashvin Desai has been a director of the Company since August 25, 2014. He was appointed as a Whole-time Director pursuant to resolution by the Board dated September 4, 2021 and Shareholder's resolution dated September 18, 2021 for a period of five years commencing from October 1, 2021 until September 30, 2026. The Shareholders have approved his remuneration pursuant to Shareholder's resolution dated September 18, 2021. The details of remuneration governing his appointment are as stated below:

Particulars	Remuneration (In ₹)
Remuneration	₹ 1.50 million per month (subject to annual increment)
Benefits	Incentives as approved by the Board and reimbursement of expenses incurred for operational activities of the Company

Payments or benefits to Directors of our Company

Remuneration to Executive Directors

The sitting fees/other remuneration paid to our Executive Directors in Financial Year 2022 are as follows:

Name of Director	Remuneration paid in Fiscal 2022 (in ₹ million)
Ashwin Jayantilal Desai	13.00
Rohan Ashwin Desai	13.00
Purnima Ashwin Desai	13.00
Dr. Aman Ashvin Desai	19.50

Remuneration to Non-Executive Directors

Our Company has pursuant to a Board resolution dated September 4, 2021, fixed the sitting fees payable to our non-executive Directors, with effect from October 1, 2021, in addition to re-imbursement of actual expenses incurred by the Director in attending the meeting at ₹ 50,000 per meeting for attending meetings of our Board and ₹ 15,000 per meeting for attending meetings of the committees of the Board

Our Company does not pay any remuneration to our Non-Executive and Non-Executive Independent Directors as an annual remuneration/ commission.

The details of sitting fees paid to the Non-Executive Directors in Financial Year 2022 are as follows:

Name of Director	Sitting fees paid in Fiscal 2022 (in ₹)
Kamalvijay Ramchandra Tulsian	480,000
Ishita Surendra Manjrekar	380,000
Arun Brijmohan Kanodiya	645,000
Jeevan Lal Nagori	265,000

Name of Director	Sitting fees paid in Fiscal 2022 (in ₹)
Leja Satish Hattiangadi	250,000
Dr. Amol Arvindrao Kulkarni	200,000
Rajkumar Mangilal Borana	150,000
Jitendra Popatlal Vakharia	150,000

Arrangement or understanding with major Shareholders, customers, suppliers, or others

There is no arrangement or understanding with the major Shareholders, customers, suppliers, or others, pursuant to which any of our Directors was appointed to the Board or was selected a member of senior management.

Shareholding of Directors in our Company

As per our Articles of Association, our Directors are not required to hold any qualification shares.

Other than as disclosed under "*Capital Structure – Details of Equity Shares held by our Directors, Key Management Personnel and members of our Promoter Group*" on page 85, none of our Directors hold any Equity Shares as on the date of this Prospectus.

Interest of Directors

Our Non-Executive Independent Directors may be deemed to be interested to the extent of sitting fees payable if any, to them for attending meetings of our Board or committees thereof as well as to the extent of other remuneration and reimbursement of expenses payable under our Articles of Association. In consideration for their services, they are paid managerial remuneration in accordance with the provisions of the Companies Act.

Except as stated in the section entitled "*Restated Financial Statements*" on page 219, and to the extent of shareholding in our Company, if any, our Directors do not have any other interest in our business.

Our Directors have no interest in any property acquired by our Company or proposed to be acquired of our Company or by our Company.

Further, our Directors have no interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

The Executive Directors may also be regarded as interested in the Equity Shares held by them or Equity Shares that may be subscribed by or allotted to them. All our Directors may also be deemed to be interested to the extent of remuneration (if applicable), reimbursement of expenses (if applicable), to the extent of any Equity Shares held by them (if applicable) and to the extent of benefits arising out of such shareholding and to the extent of the transactions entered into in the ordinary course of business with the companies in which our Directors hold directorship.

Other than Ashwin Jayantilal Desai, Purnima Ashwin Desai, Rohan Ashwin Desai and Dr. Aman Ashvin Desai who are our Promoters and initial subscribers to our Memorandum of Association, and are interested as disclosed in the section entitled "*Our Promoters and Promoter Group*" on page 212, none of our Directors have any interest in the promotion or formation of our Company other than in the ordinary course of business.

Except as disclosed in this Prospectus, no amount or benefit has been paid or given or is intended to be paid or given to any of our Directors except the normal remuneration for services rendered as Directors and/or as Key Management Personnel.

The Directors may also be regarded as interested in the Equity Shares held by them or by their relatives, if any, or that may be subscribed by or allotted to them or the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoter, pursuant to this Offer. Our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares.

None of our Directors is party to any bonus or profit-sharing plan of our Company. Further, there is no contingent or deferred compensation payable to our Directors at a later date.

Further, no officer of our Company, including our Directors and the Key Management Personnel, has entered a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

Changes in the Board in the last three years

Sr. No	Name	Date of Appointment/Change/ Cessation	Reason
1.	Rakesh Malik	September 4, 2021	Resignation due to health issues
2.	Leja Satish Hattiangadi	October 1, 2021	Appointment as a Non-Executive Independent Director.
3.	Ashwin Jayantilal Desai	October 1, 2021	Change in designation
4.	Purnima Ashwin Desai	October 1, 2021	Change in designation
5.	Rohan Ashwin Desai	October 1, 2021	Change in designation
6.	Dr. Aman Ashvin Desai	October 1, 2021	Change in designation
7.	Kamalvijay Ramchandra Tulsian	October 1, 2021	Change in designation
8.	Dr. Amol Arvindrao Kulkarni	November 17, 2021	Appointment as an Additional Director*
9.	Rajkumar Mangilal Borana	November 17, 2021	Appointment as an Additional Director*
10.	Jitendra Popatlal Vakharia	November 17, 2021	Appointment as an Additional Director*
11.	Ishita Surendra Manjrekar	November 18, 2021	Change in designation

**Regularized on November 18, 2021*

Borrowing Powers of Board

In accordance with the Articles of Association and pursuant to a resolution passed by the Shareholders of our Company on September 18, 2021, provided that the total amount of money/monies so borrowed by our Board shall not at any time exceed the limit of ₹ 5,000 million.

Corporate Governance

The corporate governance provisions of the SEBI Listing Regulations will be applicable to us immediately upon the listing of the Equity Shares with the Stock Exchanges. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team, constitution of the Board committees and formulation of policies, each as required under law, including the SEBI Listing Regulations. We are in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, the Companies Act and the SEBI ICDR Regulations, in respect of corporate governance particularly in relation to constitution of the Board and committees thereof.

Our Board has been constituted in compliance with the Companies Act, 2013 and the SEBI Listing Regulations. Currently, our Board has 12 Directors, headed by the Chairperson who is a Non-executive Director. In compliance with the requirements of the SEBI Listing Regulations, we have four Executive Directors and eight Non-Executive Directors, including six Non-Executive Independent Directors on our Board. Our Board also has two woman Directors.

The Board of Directors functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides the Board of Directors detailed reports on its performance periodically.

Audit Committee

The members of the Audit Committee are:

1. Arun Brijmohan Kanodiya, Chairperson
2. Purnima Ashwin Desai, Member
3. Jeevan Lal Nagori, Member

The Audit Committee was constituted by a meeting of the Board of Directors held on June 20, 2018. The Audit Committee was last re-constituted on November 18, 2021. The terms of reference of the Audit Committee were last revised by a meeting of the Board of Directors on November 18, 2021. The scope and functions of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. Its terms of reference are as follows:

Powers of Audit Committee

The Audit Committee shall have powers, including the following:

1. to investigate any activity within its terms of reference

2. to seek information from any employee

3. to obtain outside legal or other professional advice; and

4. to secure attendance of outsiders with relevant expertise, if it considers necessary; and

5. such other powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

Role of Audit Committee

The role of the Audit Committee shall include the following:

1. 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;

2. recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;

3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4. formulation of a policy on related party transactions, which shall include materiality of related party transactions;

5. 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;

6. 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:

    a) 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
    b) Changes, if any, in accounting policies and practices and reasons for the same
    c) Major accounting entries involving estimates based on the exercise of judgment by management
    d) Significant adjustments made in the financial statements arising out of audit findings
    e) Compliance with listing and other legal requirements relating to financial statements
    f) Disclosure of any related party transactions; and
    g) Modified opinion(s) in the draft audit report.

7. reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

8. 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;

9. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

10. 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.

11. scrutiny of inter-corporate loans and investments;

12. valuation of undertakings or assets of the Company, wherever it is necessary;

13. evaluation of internal financial controls and risk management systems;

14. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

15. 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;

16. discussion with internal auditors of any significant findings and follow up there on;

17. 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;

18. 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;

19. 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;

20. 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;

21. reviewing the functioning of the whistle blower mechanism;

22. monitoring the end use of funds raised through public offers and related matters;

23. 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;

24. 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;

25. 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;

26. 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;

27. Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders; and

28. Such roles as may be prescribed under the Companies Act, SEBI Listing Regulations and other applicable provisions.

The Audit Committee shall mandatorily review the following information:

a) Management discussion and analysis of financial condition and results of operations
b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
d) Internal audit reports relating to internal control weaknesses;
e) The appointment, removal and terms of remuneration of the chief internal auditor;
f) Statement of deviations in terms of the SEBI Listing Regulations:
g) 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
h) annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of the SEBI Listing Regulations.
i) review the financial statements, in particular, the investments made by any unlisted subsidiary.

Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee are:

1. Arun Brijmohan Kanodiya, Chairperson
2. Kamalvijay Ramchandra Tulsian, Member
3. Dr. Amol Arvindrao Kulkarni , Member

The Nomination and Remuneration Committee was constituted by a meeting of the Board of Directors held on June 20, 2018 and was last re-constituted on November 18, 2021. The terms of reference of the Nomination and Remuneration Committee were last revised by a meeting of the Board of Directors on November 18, 2021. The scope and functions of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations.

Terms of Reference for the Nomination and 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:

1. 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").

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

   (i) 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;
   (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
   (iii) 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.

3. Formulation of criteria for evaluation of independent directors and the Board;

4. Devising a Policy on Board diversity;

5. 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);

6. Analysing, monitoring and reviewing various human resource and compensation matters;

7. 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;

8. 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;

9. Recommending to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary;

10. 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;

11. 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;

12. Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

    a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and

    b) 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.

13. 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 identified in such description. For the purpose of identifying suitable candidates, the Committee may:

    a) use the services of an external agencies, if required;
    b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
    c) consider the time commitments of the candidates.

14. 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.

Corporate Social Responsibility Committee

The members of the Corporate Social Responsibility Committee are:

1. Purnima Ashwin Desai, Chairperson
2. Leja Satish Hattiangadi, Member
3. Kamalvijay Ramchandra Tulsian, Member
4. Jeevan Lal Nagori, Member
5. Jitendra Popatlal Vakharia, Member

The Corporate Social Responsibility Committee was constituted by our Board of Directors at their meeting held on June 20, 2018, and last reconstituted on November 18, 2021. The terms of reference of the Corporate Social Responsibility Committee of our Company, as per Section 135 of the Companies Act, 2013 and the applicable rules thereunder, include the following:

Functions of the Committee:

1. 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;

2. identify corporate social responsibility policy partners and corporate social responsibility policy programmes;

3. 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;

4. delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

5. review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;

6. 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

7. 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.

Stakeholders Relations Committee

The members of the Stakeholders Relationship Committee are:

1. Kamalvijay Ramchandra Tulsian, Chairperson
2. Rohan Ashwin Desai, Member
3. Ishita Surendra Manjrekar, Member
4. Arun Brijmohan Kanodiya, Member
5. Leja Satish Hattiangadi, Member
6. Rajkumar Mangilal Borana, Member

The Stakeholders Relationship Committee was constituted by our Board of Directors at their meeting held on November 18, 2021. The terms of reference of the Stakeholders Relationship Committee of our Company, as per Section 135 of the Companies Act, 2013 and the applicable rules thereunder, include the following:

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:

1. To specifically look into various aspects of interests of shareholders, debentures holders and other security holders;

2. 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;

3. review of measures taken for effective exercise of voting rights by shareholders;

4. Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

5. 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;

6. 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;

7. 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

8. 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.

Risk Management Committee

The members of the Risk Management Committee are:

1. Dr. Aman Ashvin Desai, Chairperson
2. Ashwin Jayantilal Desai, Member
3. Rohan Ashwin Desai, Member
4. Kamalvijay Ramchandra Tulsian, Member
5. Arun Brijmohan Kanodiya, Member

The Risk Management Committee was constituted by our Board of Directors at their meeting held on November 18, 2021. The terms of reference of the Risk Management Committee of our Company, include the following:

1. To formulate a detailed risk management policy which shall include:
    a. 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.
    b. Measures for risk mitigation including systems and processes for internal control of identified risks.
    c. Business continuity plan.

2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

Management Organization Chart

Kamalvijay Tulsian
Chairman and Non Executive Director

Ashwin Desai
Founding Promoter and Managing Director

Purnima Desai Whole Time Director (Promoter)	**Rohan Desai** Whole Time Director (Promoter)	**Aman Desai** Whole Time Director (Promoter)	**Ishita Manjrekar** Non Executive Director	**Arun Kanodiya** Non Executive and Independent Director
Jeevan Lal Nagori Non Executive and Independent Director	**Leja Hattiangadi** Non Executive and Independent Director	**Amol Kulkarni** Non Executive and Independent Director	**Jitendra Vakhariya** Non Executive and Independent Director	**Rajkumar Borana** Non Executive and Independent Director
Faiz Nagariya Chief Financial Officer	**Dr. James Ringer** Business Development Leader (Americas)	**Dr. Norbert Flueggen** Business Development Leader (Europe)	**Mr. Ray Roach** Business Development Leader (Americas)	**Chitrarth Parghi** Company Secretary & Compliance Officer

Key Management Personnel

The details of the Key Management Personnel, in addition to our Chairperson and Managing Director, and Executive Directors, are set out below:

Faiz Arif Nagariya is the Chief Financial Officer of our Company. He has been associated with our Company since June 07, 2019 and is currently serving as Chief Financial Officer since October 01, 2021. He is responsible for managing the financial functions of our Company. He is a Fellow Chartered Accountant (FCA) from the Institute of Chartered Accountants of India. He also holds a bachelor’s degree in Commerce, from University of Mumbai. He has previously worked with Ala Metals LLC, Dubai. The remuneration paid to him in Fiscal 2022 was ₹ 3.45 million.

Chitrarth Rajan Parghi is the Company Secretary and Compliance Officer of our Company. He has been the Company Secretary of our Company since July 11, 2020. He handles secretarial functions for our Company. He holds a bachelor’s degree in Commerce from Veer Narmad South Gujarat University. He is an associate member of the Institute of Company Secretaries of India. He has previously worked with Mexus Corporation Private Limited and Stanrose Mafatlal Group. The remuneration paid to him in Fiscal 2022 was ₹ 0.56 million.

Senior Management Personnel

Dr. James Ringer is the Business Development Leader (Americas) of our Company. He holds a bachelor’s degree in Science from Purdue University (USA) and a Doctor of Philosophy (PhD) degree in Organic Chemistry from University of Wisconsin (USA). He has multiple decades of experience in the chemical industry. Before joining our Company, Dr. James Ringer has previously worked at The Dow Chemical Company or its subsidiaries, for more than 30 years, in various positions including Director R&D, R&D Director II, and Leader R&D Director. He is the inventor / co-inventor on 22 patents granted in USA and published worldwide.

Raymond Paul Roach is the Business Development Leader (Americas) of our Company. He holds a bachelor’s degree in Science and a master’s degree in Chemical Engineering from the University of Pittsburgh (USA). He has multiple decades of experience in the chemical industry. Before joining our Company, Raymond Paul Roach has previously worked at The Dow Chemical Company (USA). Raymond Paul Roach is the inventor / co-inventor on 7 patents granted in USA and published worldwide.

Dr. Norbert Flüggen is the Business Development Leader (Europe) of our Company. He holds a diploma in Physics and a Doctorate of Natural Sciences (PhD) degree from the University of Hannover (Germany). He has multiple decades of experience in the chemical industry. Before joining our Company, Dr. Norbert Flüggen has previously worked at with ALTANA, AG, Germany.

Other than as disclosed under “– *Relationship between our Directors*” on page 199, none of the Key Managerial Personnel and Senior Management Personnel are related to each other.

All the Key Management Personnel and Senior Management Personnel are permanent employees of our Company.

Shareholding of Key Management Personnel and Senior Management Personnel

Other than as disclosed under "*Capital Structure –Details of Equity Shares held by our Directors, Key Management Personnel and members of our Promoter Group*" on page 85, none of our Key Managerial Personnel and Senior Management Personnel hold any Equity Shares as on the date of this Prospectus.

Bonus or profit-sharing plan of the Key Management Personnel and Senior Management Personnel

Except for performance linked bonus, none of the Key Management Personnel or Senior Management Personnel is party to any bonus or profit-sharing plan of our Company. For details, please see "*– Terms of appointment of Executive Directors*" on page 201.

Arrangement or understanding with major shareholders, customers, suppliers, or others

There is no arrangement or understanding with the major shareholders, customers, suppliers, or others, pursuant to which any Key Management Personnel or Senior Management Personnel was selected as a Key Managerial Personnel or Senior Management Personnel or member of senior management.

Contingent and deferred compensation payable to Key Managerial Personnel or Senior Management Personnel

There is no contingent or deferred compensation payable to Key Managerial Personnel or Senior Management Personnel.

Payment or Benefit to officers of our Company (non-salary related)

No non-salary related amount or benefit has been paid or given within the two preceding years or intended to be paid or given to any officer of the Company, including Key Managerial Personnel or Senior Management Personnel.

Retirement and termination benefits

Except applicable statutory benefits, none of our Key Managerial Personnel or Senior Management Personnel would receive any benefits on their retirement or on termination of their employment with our Company.

Changes in the Key Management Personnel and Senior Management Personnel

The changes in the Key Management Personnel and Senior Management Personnel in the last three years, other than as disclosed under "*-Changes in the Board in the last three years*", are as follows:

Name	Designation	Date of change	Reason for change
Swati Abhishek Chaudhary	Company Secretary	June 30, 2020	Resignation due to personal reasons
Chitrarth Rajan Parghi	Company Secretary	July 11, 2020	Appointment
Rohan Ashwin Desai	Chief Financial Officer	September 30, 2021	Resignation due to personal reasons
Faiz Arif Nagariya	Chief Financial Officer	October 1, 2021	Appointment
Dr. James Ringer	Business Development Leader (Americas)	October 1, 2021	Appointment
Dr. Norbert Flüggen	Business Development Leader (Europe)	October 1, 2021	Appointment
Raymond Paul Roach	Business Development Leader (Americas)	October 1, 2021	Appointment

The rate of attrition of our Key Managerial Personnel and Senior Management Personnel is not high in comparison to the industry in which we operate.

Employee Stock Option Schemes

Our Company has an employee stock option scheme. For details regarding our Company's employee stock option scheme, see " *Capital Structure – Employee Stock Option Scheme*" on page 87.

OUR PROMOTERS AND PROMOTER GROUP

Ashwin Jayantilal Desai, Purnima Ashwin Desai, Rohan Ashwin Desai, Dr. Aman Ashvin Desai, AJD Family Trust, PAD Family Trust, RAD Family Trust, AAD Family Trust and AAD Business Trust are the Promoters of our Company. As on the date of this Prospectus, our Promoters currently hold an aggregate of 111,084,237 Equity Shares, equivalent to 96.83 % of the pre-Offer issued, subscribed and paid-up Equity Share capital of our Company. For further details, please see the section entitled "*Capital Structure*" on page 75.

Individual Promoters

Ashwin Jayantilal Desai

Ashwin Jayantilal Desai (DIN: 00038386), aged 70 years, is the Managing Director of our Company. He resides at Aangan, 40, Jaldarshan Society, B/H Gokul Row House Umra, Surat City, SVR College, Surat- 395007, Gujarat, India. His permanent account number is ABQPD3510P.

Ashwin Jayantilal Desai holds 6,720,417 Equity Shares in our Company.

Purnima Ashwin Desai

Purnima Ashwin Desai (DIN: 00038399), aged 67 years, is the Whole-time Director of our Company. She resides at Aangan, 40, Jaldarshan Society, B/H Gokul Row House Umra, Surat City, SVR College, Surat- 395007, Gujarat, India. Her permanent account number is ADWPD8309E.

Purnima Ashwin Desai holds 34,877,403 Equity Shares in our Company.

Rohan Ashwin Desai

Rohan Ashwin Desai (DIN: 00038379), aged 42 years, is the Whole-Time Director of our Company. He resides at Aangan, 40, Jaldarshan Society, B/H Gokul Row House Umra, Surat City, SVR College, Surat- 395007, Gujarat, India. His permanent account number is ABQPD3509G

Rohan Aswin Desai holds 2,221,681 Equity Shares in our Company.

Dr. Aman Ashvin Desai

Dr. Aman Ashvin Desai (DIN: 00043633), aged 38 years, is the Whole-time Director of our Company. He resides at Aangan, 40, Jaldarshan Society, B/H Gokul Row House Umra, Surat City, SVR College, Surat- 395007, Gujarat, India. His permanent account number is AFIPD9634A.

Dr. Aman Ashvin Desai holds 110,000 Equity Shares in our Company.

For the complete profile of Ashwin Jayantilal Desai, Purnima Aswin Desai, Rohan Ashwin Desai and Dr. Aman Ashvin Desai along with details of their date of birth, personal address, educational qualifications, professional experience, position / posts held in the past, directorships held, and business and financial activities, other directorships, other ventures and special achievements, see "*Our Management – Board of Directors*" on page 196.

Promoter – Trusts

AJD Family Trust

AJD Family Trust was formed pursuant to a trust deed dated October 4, 2021 under the Indian Trusts Act, 1882. The current trustees of AJD Family Trust are Ashwin Jayantilal Desai and Purnima Ashwin Desai. The office of AJD Family Trust is located at "Angan", Plot No. 40, Jaldarshan Society, B/H Gokul Row House, Umra, Surat, Surat – 395007, India. Its permanent account number is AAITA7714P. The primary beneficiaries AJD Family Trust are Purnima Ashwin Desai, Rohan Ashwin Desai, Ishita Manjrekar and the lineal and beneficial descendants of Ashwin Jayantilal Desai. The overall objective of AJD Family Trust is to meet financial or non-financial needs/ purpose of existing beneficiaries of the trust including health, education, maintenance capital and support including but not limited to payment of insurance premium, marriage, capital and maintenance and to ensure seamless and effective succession planning mechanism and intergenerational transfer of the Trust Corpus and income among the beneficiaries. Further to provide for consolidation of assets for efficient administration and management.

PAD Family Trust

PAD Family Trust was formed pursuant to a trust deed dated October 4, 2021 under the Indian Trusts Act, 1882. The current trustees of PAD Family Trust are Ashwin Jayantilal Desai and Purnima Ashwin Desai. The office of PAD Family Trust is located at "Angan", Plot No. 40, Jaldarshan Society, B/H Gokul Row House, Umra, Surat – 395007, India. Its permanent account number is AAETP8236H. The primary beneficiaries PAD Family Trust are Ashwin Jayantilal Desai, Rohan Ashwin Desai, Ishita Manjrekar and lineal and beneficial descendants of Purnima Ashwin Desai. The overall objective of PAD Family Trust is to meet financial or non-financial needs/ purpose of existing beneficiaries of the trust including health, education, maintenance capital and support including but not limited to payment of insurance premium, marriage, capital and maintenance and to ensure seamless and effective succession planning mechanism and intergenerational transfer of the Trust Corpus and income among the beneficiaries. Further to provide for consolidation of assets for efficient administration and management.

RAD Family Trust

RAD Family Trust was formed pursuant to a trust deed dated October 4, 2021 under the Indian Trusts Act, 1882. The current trustees of RAD Family Trust are Ashwin Jayantilal Desai and Purnima Ashwin Desai. The office of RAD Family Trust is located at "Angan", Plot No. 40, Jaldarshan Society, B/H Gokul Row House, Umra, Surat – 395007, India. Its permanent account number is AAETR4509H. The primary beneficiaries RAD Family Trust are Rohan Ashwin Desai, Payal Rohan Desai, Kaira Rohan Desai.and future lineal descendants of Rohan Ashwin Desai. The overall objective of RAD Family Trust is to meet financial or non-financial needs/ purpose of existing beneficiaries of the trust including health, education, maintenance capital and support including but not limited to payment of insurance premium, marriage, capital and maintenance and to ensure seamless and effective succession planning mechanism and intergenerational transfer of the trust corpus and income among the beneficiaries. Further to provide for consolidation of assets for efficient administration and management.

AAD Family Trust

AAD Family Trust was formed pursuant to a trust deed dated October 4, 2021 under the Indian Trusts Act, 1882. The current trustees of AAD Family Trust are Ashwin Jayantilal Shah and Purnima Ashwin Desai . The office of AAD Family Trust is located at "Angan", Plot No. 40, Jaldarshan Society, B/H Gokul Row House, Umra, Surat – 395007. Its permanent account number is AAITA7712M.The primary beneficiaries AAD Family Trust are Dr. Aman Ashvin Desai, Ishita Surendra Manjrekar and Kavir Manjrekar Desai and future lineal descendant of Dr. Aman Ashvin Desai. The overall objective of AAD Family Trust is to meet financial or non-financial needs/ purpose of existing beneficiaries of the trust including health, education, maintenance capital and support including but not limited to payment of insurance premium, marriage, capital and maintenance and to ensure seamless and effective succession planning mechanism and intergenerational transfer of the trust corpus and income among the beneficiaries. Further to provide for consolidation of assets for efficient administration and management.

AAD Business Trust

AAD Business Trust was formed pursuant to a trust deed dated October 4, 2021 under the Indian Trusts Act, 1882. The current trustees of AAD Business Trust are Ashwin Jayantilal Desai and Purnima Ashwin Desai. The registered office of AAD Business Trust is located at "Angan", Plot No. 40, Jaldarshan Society, B/H Gokul Row House, Umra, Surat – 395007. Its permanent account number is AAITA7711J. The primary beneficiaries AAD Business Trust are Dr. Aman Ashvin Desai, Ishita Manjrekar, Kavir Manjrekar Desai and future lineal descendants of Dr. Aman Ashvin Desai. The overall objective of AAD Business Trust is to meet financial or non-financial needs/ purpose of beneficiaries of the trust including maintenance, travel, medical, education, insurance including payment of insurance premium, marriage and to ensure seamless intergenerational transfer of the trust corpus and income among the beneficiaries.

Our Company confirms that the PAN, bank account number and passport number of Ashwin Jayantilal Desai, Purnima Aswin Desai, Rohan Ashwin Desai, Dr. Aman Ashvin Desai, AJD Family Trust, PAD Family Trust, RAD Family Trust, AAD Family Trust and AAD Business Trust have been submitted to the Stock Exchanges at the time of filing the Draft Red Herring Prospectus.

Interests of our Promoters

Our Promoters are interested in our Company to the extent (i) that they have promoted our Company; (ii) of their shareholding and the shareholding of their relatives in our Company and the dividend payable, if any, and other distributions in respect of the Equity Shares held by them and their relatives; (iii) of being Directors and Key Management Personnel and the remuneration, benefits and reimbursement of expenses payable by our Company to them or their relatives; and (iv) that our Company has undertaken transactions with them, their relatives or entities in which our Promoters hold shares. For details regarding the shareholding of our Promoters and other interests in our Company, please see the sections entitled "*Capital Structure*", "*Our Management*" and "*Restated Financial Statements –Note 48B*" on pages 75, 196 and 273, respectively.

Our Promoters have no interest in any property acquired in the three years preceding the date of this Prospectus or proposed to be acquired by our Company, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Our Promoters are not interested as a member in any firm or company which has any interest in our Company. Further, no sum has been paid or agreed to be paid to any of our Promoters or to any firm or company in which any of our Promoters are interested as a member, in cash or shares or otherwise by any person either to induce any of our Promoters to become, or qualify them as a director, or otherwise for services rendered by any our Promoters or by such firm or company in connection with the promotion or formation of our Company.

Experience of the Promoters in the business of our Company

Our individual Promoters and trustees of the Promoter trusts have adequate experience in the business activities undertaken by our Company.

Payment of benefits to our Promoters or our Promoter Group

Except as stated in "*Restated Financial Statements –Note 48B*", "*Our Management*" and "*Financial Information"* on pages 273, 196 and 219 respectively, no amount or benefit has been paid or given to our Promoters or members of our Promoter Group during the two years preceding the filing of this Prospectus nor is there any intention to pay or give any amount or benefit to our Promoters or members of our Promoter Group.

Material Guarantees given by our Promoters with respect to the Equity Shares

Our Promoters have not given any material guarantee to any third party with respect to the Equity Shares, as on the date of this Prospectus.

Confirmations

None of our Promoters have been declared as Wilful Defaulters or Fraudulent Borrower. Our individual Promoters have not been declared as Fugitive Economic Offenders.

Our Promoters and members of our Promoter Group have not been prohibited from accessing or operating in capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoters are not and have never been a promoter, director or person in control of any other company which is debarred from accessing capital markets under any order or direction passed by SEBI.

Our Promoters are not related to any of the sundry debtors or beneficiaries of loans and advances of our Company.

Companies or Firms with which our Promoters have disassociated in the last three years

Our Promoters have not disassociated themselves from any company or firm in the three years immediately preceding the date of this Prospectus.

Change in the control of our Company

There has been no change in control of our Company in the five years immediately preceding the date of this Prospectus.

Our Promoter Group

In addition to the Promoters named above, the following individuals and entities form part of the Promoter Group of the Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations.

A. Natural persons who are part of the Promoter Group

The natural persons who are part of the Promoter Group (due to their relationship with our individual Promoters or whose shareholding is aggregated under the heading "shareholding of the promoter group"), other than our Promoters, are as follows:

a) Immediate relatives of our Promoters

Name of Promoter	Name of relative	Nature of relationship
Ashwin Jayantilal Desai	Chandrika Anil Dalal	Sister
	Damyanti Harshad Shah	Sister
	Jayshree Dilip Shah	Sister
	Sarojini Ghanshyam Dalal	Spouse's mother
	Anjali Ashok Choksi	Spouse's sister
	Gita Robin Faust	Spouse's sister
Purnima Ashwin Desai	Sarojini Ghanshyam Dalal	Mother
	Anjali Ashok Choksi	Sister
	Gita Robin Faust	Sister
	Chandrika Anil Dalal	Spouse's sister
	Damyanti Harshad Shah	Spouse's sister
	Jayshree Dilip Shah	Spouse's sister
Rohan Ashwin Desai	Payal Rohan Desai	Spouse
	Kaira Rohan Desai	Daughter
	Kamalvijay Ramchandra Tulsian	Spouse's father
	Pramiladevi Kamalvijay Tulsian	Spouse's mother
	Pooja Prayank Agarwal	Spouse's sister
Dr. Aman Ashvin Desai	Ishita Surendra Manjrekar	Spouse
	Kavir Manjrekar Desai	Son
	Dr. Surendra Keshav Manjrekar	Spouse's father
	Ruchira Surendra Manjrekar	Spouse's mother
	Sourabh Surendra Manjrekar	Spouse's brother

B. Entities forming part of the Promoter Group

The entities forming part of our Promoter Group are as follows:

Sr.No	Entities forming part of the Promoter Group
1.	J R Dyeing & Printing Mills Private Limited
2.	Kamalvijay Tulsian HUF
3.	Sunworks Chemicals Private Limited
4.	Sunanda Global Outreach Foundation
5.	Sunanda Speciality Coatings Private Limited
6.	Aether Foundation
7.	Tripoor Residency

OUR GROUP COMPANIES

In accordance with the SEBI ICDR Regulations and the applicable accounting standards, for the purpose of identification of 'group companies', our Company has considered (i) such companies with which there were related party transactions during the period for which Restated Financial Statements have been disclosed in this Prospectus, as covered under the applicable accounting standards; and (ii) any other companies which are considered material by our Board. In respect of point (ii) above, our Board at its meeting held on December 6, 2021, has considered and adopted the Materiality Policy for, *inter alia*; identification of companies that shall be considered material and disclosed as group companies in this Prospectus.

Accordingly, for (i) above, all such companies with which there were related party transactions during the period covered in the Restated Financial Statements, as covered under the applicable accounting standards, have been considered as Group Companies in terms of the SEBI ICDR Regulations.

In terms of the Materiality Policy, a company (other than the companies covered under the schedule of related party transactions as per the Restated Financial Statements) shall be considered "material" and will be disclosed as a 'Group Company' in this Prospectus if it is a member of the Promoter Group in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, and has entered into one or more transactions with the Company in the most recent financial year, in respect of which Restated Financial Statements are included in the Offer Documents, that cumulatively exceed 5.00% of the total revenue from operations of our Company for the last completed financial year covered in the Restated Financial Statements.

In accordance with the SEBI ICDR Regulations, certain financial information in relation to our Group Company for the preceding three financial years, extracted from their respective audited financial statements (as applicable) is available at the website indicated below. This is referred to as the "*Group Company Financial Information*".

Our Company is providing the link to such website solely to comply with the requirements specified under the SEBI ICDR Regulations. None of our Company, the BRLMs or any of the Company's or the BRLMs respective directors, employees, affiliates, associates, advisors, agents or representatives have verified the information available on the website indicated below.

As the Group Companies do not have their own website, information with respect to (i) reserves (excluding revaluation reserve); (ii) sales; (iii) profit after tax; (iv) earnings per share; (v) diluted earnings per share; and (vi) net asset value, based on the audited statements of the Group Companies for the preceding three financial years shall be hosted on our Company's website at https://aether.co.in/investor-relations/.

Based on the parameters outlined above, our Board has identified the following as the Group Companies of our Company:

A. Details of our Group Companies

1. Aether Foundation (to be herein referred as "Foundation")

Corporate information

Aether Foundation was incorporated on October 11, 2013 and has its registered office at Sy. 35, Plot 40, Aangan, Jaldarshan Society, Umra, Surat-395007, Gujarat. The CIN of the Foundation is U85191GJ2013NPL077168.

2. Sunanda Speciality Coatings Private Limited

Corporate information

Sunanda Speciality Coatings Private Limited was incorporated on April 30, 1982 and has its registered office at 36th Floor, Sunshine Tower, Senapati Bapat Marg, Lower Parel, Mumbai-400013, Maharashtra. The CIN of Sunanda Speciality Coatings Private Limited is U24224MH1982PTC027056.

3. Globe Enviro Care Limited

Corporate information

Globe Enviro Care Limited was incorporated on February 3, 1998 and has its registered office at Plot No. PP-1, B/h. Kay Tex Mills Off Road No. 2, GIDC Estate, Sachin, Surat-394230, Gujarat. The corporate identification number of Globe Enviro Care Limited is U29199GJ1998PLC033633.

B. Nature and Extent of Interest of our Group Companies

(a) In the promotion of our Company

Our Group Companies does not have any interest in the promotion of our Company.

(b) Related Business Transactions within our Group Companies and significance on the financial performance of our Company

Except as disclosed in the section entitled "*Restated Financial Statements*" on page 219, are no other related business transactions with our Group Companies.

(c) In the properties acquired by our Company in the past three years before filing this Prospectus with SEBI or proposed to be acquired

Our Group Companies are not interested in the properties acquired by our Company in the three years preceding the filing of this Prospectus or proposed to be acquired by our Company.

(d) In transactions for acquisition of land, construction of building and supply of machinery

Our Group Companies are not interested in any transactions for the acquisition of land, construction of building or supply of machinery.

C. Common Pursuits amongst the Group Companies and our Company

Our Company, Aether Industries Limited conducts its Corporate Social Responsibility activities through Aether Foundation.

D. Litigation

Our Group Companies are not party to any pending litigation which has a material impact on our Company.

Business interest of our Group Companies in our Company

Except as disclosed in this section and "*Restated Financial Statements – Related Party Transactions*" on page 258, our Group Companies have no business interest in our Company.

E. Confirmations

The securities of our Group Companies are not listed on any stock exchange (in India or abroad).

Our Group Companies have not failed to meet the listing requirements or have failed to list on any recognised stock exchange in India or abroad.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and the Companies Act. Our Board approved the formal dividend policy of the Company, at the Board meeting held on November 18, 2021, which includes parameters to be considered by the Board for declaration of dividend, with an objective of rewarding the shareholders of the Company.

The dividend, if any, will depend on a number of factors, including but not limited to, consolidated net operating profit after tax, working capital requirements, capital expenditure requirements, cash flow required to meet contingencies, outstanding borrowings, and applicable taxes including dividend distribution tax payable by our Company. For details in relation to the risks involved in this regard, please see "*Risk Factors – We cannot assure payment of dividends on the Equity Shares in the future* " on page 55.

In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities and overall financial condition of our Company. For further details, please see the section entitled "*Financial Indebtedness*" on page 318.

The Company has not declared and paid any dividends on the Equity Shares in any of the three Financial Years preceding the filing of this Prospectus and until the filing of this Prospectus.

SECTION VII: FINANCIAL INFORMATION

RESTATED FINANCIAL STATEMENTS

[*The remainder of this page has intentionally been left blank*]

BIRJU S. SHAH & ASSOCIATES

D-513, INTERNATIONAL TRADE CENTRE, MAJURA GATE, SURAT – 395 001.
Phone : (O) 91 261 2470880, (M) 91 99784 44603
Email :cabirjjushah@gmail.com, sarvam9@gmail.com

Independent Auditors' Examination Report on the Restated Ind AS Statement of Assets and Liabilities as at December 31, 2021, December 31, 2020, March 31, 2021, March 31, 2020 and March 31, 2019, the Restated Ind AS Statement of Profits and Loss (including Other Comprehensive Income), Restated Ind AS Statement of Changes in Equity, Restated Ind AS Cash-flow Statement, the Summary Statement of Significant Accounting Policies and Other Explanatory Information for each of the nine months periods ended December 31, 2021 and December 31, 2020, and for each of the years endedMarch 31, 2021, March 31, 2020 and March 31, 2019 of Aether Industries Limited (collectively, the "Restated Ind AS Summary Statements")

To,
The Board of Directors
Aether Industries Limited
Plot No. 8203,
GIDC Sachin,
Surat GJ 394230
India

Dear Sirs,

1. We, Birju S. Shah & Associates, ("We" or "us") have examined the attached Restated Ind AS Summary Statements of Aether Industries Limited (the "Company" or the "Issuer") comprising the Restated Ind AS Statement of Assets and Liabilities as at December 31, 2021, December 31, 2020, March 31, 2021, March 31, 2020 and March 31, 2019, the Restated Ind AS Statement of Profits and Loss (including Other Comprehensive Income), Restated Ind AS Statement of Changes in Equity, Restated Ind AS Cash-flow Statement, the Summary Statement of Significant Accounting Policies and Other Explanatory Information for each of the nine months periods ended December 31, 2021, December 31, 2020, and for each of the years ended March 31, 2021, March 31, 2020 and March 31, 2019 as approved by the Board of Directors of the Company at their meeting held on April 28, 2022 for the purpose of inclusion in the red herring prospectus ("RHP") and the prospectus ("Prospectus"), (RHP and Prospectus, collectively the "Offer Documents") in connection with its proposed Initial Public Offer ("IPO") of equity shares of Rs. 10 each, preparedin terms of the requirements of:

a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");

b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and

c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

2. The Company's Board of Directors is responsible for the preparation of the Restated Ind AS Summary Statements for the purpose of inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, Registrar of

Companies, Gujarat at Ahmedabad, the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"), ("BSE" together with"NSE" are collectively referred to as the "Stock Exchanges") in connection with the Initial Public Offer. The Restated Ind AS Summary Statements have been prepared by the management of the Company on the basis of preparation stated in note 2.1 to the Restated Ind AS Summary Statements. The responsibility of the Board of Directors includes designing,implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated IndAS Summary Statements. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Ind AS Summary Statements taking into consideration:

a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 01.09.2021 in connection with the IPO of the Company;

b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Ind AS Summary Statements; and

d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

4. These Restated Ind AS Summary Statements have been compiled by the management from:

   a. Audited Ind AS financial statements of the Company as at for the nine months period ended on December 31, 2021, prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on April 28, 2022.

   b. Audited Special Purpose Ind AS financial statements of the Company as at and for the nine months ended on December 31, 2020, and for the year ended March 31, 2021, March 31, 2020, and March 31, 2019, prepared in accordance with the Ind AS for the limited purpose of complying with the requirement of ICDR Regulations in relation to proposed IPO. We have issued our report dated April 28, 2022, and on these Special Purpose Ind AS financial statements to the Board of Directors who have approved these in their meeting held on April 28, 2022.

5. For the purpose of our examination, we have relied on the Auditor's report issued by us dated April 28, 2022 on the Audited Ind AS financial statements as at for the nine months period ended on December 31, 2021 and on Audited Special Purpose Ind AS financial statements as at and for theyear ended March 31, 2021, March 31, 2020, and March 31, 2019 and for the nine months period ended on December 31, 2020, Audited as referred in Paragraph 4a above.

6. Based on our examination and according to the information and explanations given to us we report that the Restated Ind AS Summary Statements:

a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping / reclassifications retrospectively in the respective financial years to reflect the same accounting treatment as per the accounting policies and grouping / classifications followed as at and for the nine months ended December 31,2021;

b) do not contain any qualification requiring adjustments; and

c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

7. The Restated Ind AS Summary Statements do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited Ind AS financial statements and audited special purpose Ind AS financial statements mentioned in paragraph 4 above.

8. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit report issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

10. Our report is intended solely for use of the Board of Directors for inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, the Stock Exchanges and the Registrar of Companies, Gujarat at Ahmedabad in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any otherperson to whom this report is shown or into whose hands it may come without our prior consent.

For, Birju S. Shah & Associates
Chartered Accountants
ICAI Firm Registration Number: 131554W

Proprietor
Membership No. 107086
Place: SURAT
Date: April 28, 2022
UID Number: 22107086AHYQDG5195
Peer Review Certificate No. : 013598

AETHER INDUSTRIES LIMITED

Annexure I - Restated Statement of Assets and Liabilities

(All amounts in Indian Rupees millions, unless otherwise stated)

	Note	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
ASSETS						
Non-current assets						
Property, plant and equipment	*3*	2,392.60	1,903.20	2,064.98	1,205.97	987.96
Capital work-in-progress	*4*	57.22	30.68	1.98	172.27	12.44
Right-of-use assets	*5*	214.09	93.16	91.74	81.58	68.12
Other intangible assets	*6*	4.98	5.40	5.61	5.75	6.95
Financial assets						
(i) Investments	*7*	2.09	2.09	2.09	2.09	2.09
(ii) Other financial assets	*8*	18.47	17.57	15.34	20.24	20.17
Other non-current assets	*9*	231.41	18.69	12.42	38.88	7.93
Total non-current assets		**2,920.86**	**2,070.79**	**2,194.16**	**1,526.78**	**1,105.66**
Current assets						
Inventories	*10*	1,497.48	683.06	847.28	719.39	398.36
Financial assets						
(i) Investments	*11*	191.31	0.13	220.90	0.13	0.12
(ii) Trade receivables	*12*	1,691.78	1,073.51	1,082.40	629.70	481.94
(iii) Cash and cash equivalents	*13*	55.64	14.30	35.14	0.73	0.98
(iv) Bank balances other than (iii) above	*14*	429.15	20.01	20.49	35.27	12.03
(v) Loans	*15*	9.82	7.95	7.92	7.04	5.12
(vi) Other financial assets	*16*	2.02	3.75	5.71	0.60	1.68
Other current assets	*17*	297.56	127.45	115.44	85.02	60.86
Total current assets		**4,174.75**	**1,930.16**	**2,335.28**	**1,477.89**	**961.09**
Total assets		**7,095.61**	**4,000.95**	**4,529.44**	**3,004.67**	**2,066.75**
EQUITY & LIABILITIES						
Equity						
Equity share capital	*18*	1,126.91	85.60	100.99	85.60	85.60
Other equity	*19*	2,475.85	1,178.39	1,642.34	697.17	299.85
Total equity		**3,602.76**	**1,263.99**	**1,743.33**	**782.77**	**385.45**
Liabilities						
Non-current liabilities						
Financial liabilities						
(i) Borrowings	*20*	1,018.46	1,100.54	1,037.87	950.98	757.20
(ii) Lease liabilities	*21*	52.99	27.57	27.11	15.94	2.67
Deferred tax liabilities (net)	*36 (d)*	127.53	98.77	102.07	76.42	33.76
Total non-current liabilities		**1,198.98**	**1,226.89**	**1,167.05**	**1,043.34**	**793.63**
Current liabilities						
Financial liabilities						
(i) Borrowings	*22*	1,328.84	957.49	1,044.13	753.91	504.07
(ii) Lease liabilities	*23*	8.56	4.00	3.56	2.54	0.94
(iii) Trade payables	*24*					
a) total outstanding dues of micro enterprises and small enterprises		131.87	109.19	89.35	49.80	42.46
b) total outstanding dues of creditors other than micro enterprises and small enterprises		727.77	361.73	388.38	333.77	185.61
(iv) Other financial liabilities	*25*	44.78	38.63	44.43	15.75	18.18
Other current liabilities	*26*	45.37	34.46	41.51	16.01	119.20
Provisions	*27*	3.96	4.60	-	0.05	-
Current tax liabilities (net)	*36 (c)*	2.73	(0.05)	7.70	6.73	17.21
Total current liabilities		**2,293.86**	**1,510.07**	**1,619.06**	**1,178.56**	**887.67**
Total liabilities		**3,492.85**	**2,736.96**	**2,786.11**	**2,221.90**	**1,681.30**
Total equity and liabilities		**7,095.61**	**4,000.95**	**4,529.44**	**3,004.67**	**2,066.75**

The above statement should be read with basis of preparation, significant accounting policies and notes forming part of the Restated Financial Information appearing in Annexure VI and Statement of Adjustments to Audited Financial Statements appearing in Annexure VII as per our report attached.

As per our report of even date attached

For Birju S. Shah & Associates
Chartered Accountants
Firm Registration No: 131554W

Birju S. Shah
Proprietor
Membership No: 107086

Place: Surat
Date: April 28, 2022
ICAI UDIN: 22107086AHYQDG5195

For and on behalf of Board of Directors of
Aether Industries Limited
CIN: U24100GJ2013PLC073434

Ashwin Desai
Managing Director
DIN: 00038386
Place: Surat
Date: April 28, 2022

Rohan Desai
Whole Time Director
DIN: 00038379
Place: Surat
Date: April 28, 2022

Faiz Nagariya
Chief Financial Officer
PAN: ADBPN8514G
Place: Surat
Date: April 28, 2022

Chitrarth Parghi
Company Secretary
Mem. No.: A54033
Place: Surat
Date: April 28, 2022

AETHER INDUSTRIES LIMITED
Annexure II - Restated Statement of Profit and Loss
(All amounts in Indian Rupees millions, unless otherwise stated)

	Note	For the nine months ended 31 December 2021	For the nine months ended 31 December 2020	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Income						
Revenue from operations	28	4,425.44	3,340.90	4,498.16	3,018.06	2,011.80
Other Income	29	67.71	32.50	39.73	19.75	20.97
Total income		**4,493.15**	**3,373.41**	**4,537.89**	**3,037.81**	**2,032.77**
Expenses						
Cost of materials consumed operation and incidental cost	30	2,746.01	1,738.15	2,249.16	1,729.90	1,142.51
Changes in inventories of finished goods and work-in-progress	31	(597.24)	38.21	57.72	(168.35)	(46.76)
Employee benefits expense	32	212.85	160.75	221.13	133.76	109.46
Finance costs	33	100.35	79.69	113.15	93.76	106.00
Depreciation and amortisation expense	34	114.19	83.67	110.11	78.48	64.07
Other expenses	35	803.87	638.38	848.56	605.19	331.52
Total expenses		**3,380.03**	**2,738.84**	**3,599.83**	**2,472.74**	**1,706.80**
Profit before tax		**1,113.11**	**634.57**	**938.06**	**565.07**	**325.97**
Tax expense:	36					
Current tax		258.12	129.22	201.00	121.92	70.34
Deferred tax		25.94	22.80	25.87	43.59	22.28
Total Tax Expenses		284.05	152.03	226.87	165.51	92.62
Profit for the period (A)		**829.06**	**482.54**	**711.19**	**399.56**	**233.35**
Other comprehensive (loss)/ income						
Items that will not be reclassified subsequently to profit or loss						
(i) Remeasurements of defined benefit liability / (asset)		(1.90)	(1.78)	(0.86)	(3.16)	(0.96)
(i) Income tax relating to remeasurements of defined benefit liability / (asset)		0.48	0.45	0.22	0.92	0.21
		(1.42)	**(1.33)**	**(0.64)**	**(2.24)**	**(0.75)**
Total comprehensive income for the period (A+B)		**827.64**	**481.21**	**710.55**	**397.32**	**232.60**
Earnings per equity share						
[nominal value of Rs. 10]						
Basic	37	7.45	5.12	7.36	4.24	2.48
Diluted		7.45	5.12	7.36	4.24	2.48

The above statement should be read with basis of preparation, significant accounting policies and notes forming part of the Restated Financial Information appearing in Annexure VI and Statement of Adjustments to Audited Financial Statements appearing in Annexure VII as per our report attached.

As per our report of even date attached

For Birju S. Shah & Associates
Chartered Accountants
Firm Registration No: 131554W

Birju S. Shah
Proprietor
Membership No: 107086

Place: Surat
Date: April 28, 2022
ICAI UDIN: 22107086AHYQDG5195

For and on behalf of the Board of Directors of
Aether Industries Limited
CIN: U24100GJ2013PLC073434

Ashwin Desai
Managing Director
DIN: 00038386
Place: Surat
Date: April 28, 2022

Rohan Desai
Whole Time Director
DIN: 00038379
Place: Surat
Date: April 28, 2022

Faiz Nagariya
Chief Financial Officer
PAN: ADBPN8514G
Place: Surat
Date: April 28, 2022

Chitrarth Parghi
Company Secretary
Mem. No.: A54033
Place: Surat
Date: April 28, 2022

AETHER INDUSTRIES LIMITED

Annexure IV - Restated Statement of Cash Flows
(All amounts in Indian Rupees millions, unless otherwise stated)

Particulars	For the nine months ended 31 December 2021	For the nine months ended 31 December 2020	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
A. Cash flow from operating activities					
Profit before tax	1,113.11	634.57	938.06	565.07	325.97
Adjustments to reconcile profit before tax to net cash flows:					
Net unrealised foreign exchange (gain)/loss	(7.28)	2.06	0.90	4.84	(4.76)
Finance costs	100.35	79.69	113.15	93.76	106.00
Interest income	(2.18)	(0.33)	(1.00)	(1.71)	(1.25)
Income from Mutual Funds	(2.71)	-	-	(0.15)	(0.46)
Depreciation and amortisation expenses	114.19	83.67	110.11	78.48	64.07
Operating profit before working capital changes	**1,315.49**	**799.65**	**1,161.22**	**740.29**	**489.57**
Movement in working capital:					
(Increase)/Decrease in trade receivables	(609.38)	(443.81)	(468.46)	(130.54)	(218.64)
(Increase) / Decrease in current investments	29.59	(0.00)	(220.77)	(0.01)	(0.01)
(Increase)/Decrease in inventories	(650.20)	36.33	(127.89)	(321.03)	(174.22)
(Increase)/Decrease in other current assets	(182.12)	(42.43)	(33.61)	(20.97)	(19.29)
(Increase)/Decrease in other financial assets	(1.35)	(1.39)	(1.09)	(0.91)	(0.90)
Increase/(Decrease) in trade payables	381.91	87.35	97.45	149.46	92.36
Increase/(Decrease) in provisions other than income tax	2.06	2.77	(0.91)	(3.11)	(0.96)
Increase/(Decrease) in other current liabilities	3.86	18.23	26.03	(103.81)	117.27
Cash generated from operations	**289.87**	**456.71**	**431.97**	**309.37**	**285.18**
Net income tax (paid)	(265.83)	(137.82)	(200.01)	(132.42)	(57.74)
Net cash from operating activities (A)	**24.04**	**318.89**	**231.96**	**176.95**	**227.44**
B. Cash flows from investing activities					
Purchase of property, plant and equipment	(527.66)	(777.23)	(969.95)	(291.20)	(123.43)
Proceeds on sale/maturity of financial assets	-	-	-	0.15	0.46
Capital work in progress and capital advance	(274.23)	161.77	196.75	(190.78)	(1.82)
Dividend from current investments	4.88	0.33	1.00	1.71	1.25
Proceeds from disposal of property, plant and equipment	-	0.56	6.27	-	0.71
Loans (Financial assets)	-	-	-	-	(3.13)
Net cash used in investing activities (B)	**(797.01)**	**(614.56)**	**(765.93)**	**(480.12)**	**(125.96)**
C. Cash flows from financing activities					
Proceeds / (Repayment) from long-term borrowings	57.52	182.17	432.18	221.36	(119.08)
Proceeds / (Repayment) of borrowings (Unsecured)	23.50	15.00	15.10	20.20	14.56
Proceeds / (repayment) from working capital facilities (net)	184.28	155.98	194.06	183.45	110.41
Proceeds / (repayment) from/(of) short term borrowings	-	-	-	-	-
Preferential allotment of Shares	1,031.80	-	-	-	-
Proceeds / (repayment) of Other Financial liabilities	5.36	20.52	25.41	(5.08)	0.62
Interest paid	(100.35)	(79.69)	(113.15)	(93.77)	(106.00)
Net cash used in financing activities (C)	**1,202.11**	**293.98**	**553.60**	**326.16**	**(99.49)**
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	**429.15**	**(1.69)**	**19.63**	**22.99**	**1.99**
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents					
Cash and cash equivalents at the beginning of the period / year	55.63	36.00	36.00	13.01	11.02
Cash and cash equivalents at the end of the period / year	**484.78**	**34.31**	**55.63**	**36.00**	**13.01**
Notes:-					
1. Cash and cash equivalents include					
Cash on hand	0.51	0.44	0.39	0.43	0.32
Balances with bank					
- Current accounts	49.19	0.14	0.15	0.13	0.66
- EEFC accounts	5.94	13.72	34.60	0.17	-
Other bank balances	429.15	20.01	20.49	35.27	12.03
	484.78	**34.31**	**55.63**	**36.00**	**13.01**

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.

Significant non-cash movement in investing and financing activities

	For the nine months ended 31 December 2021	For the nine months ended 31 December 2020	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Conversion of Preference Shares to Equity Shares	-	-	(250.00)	-	-
Foreign exchange fluctuations	(0.81)	(22.16)	(14.23)	18.60	-
Acquisition of Right-of-use assets with corresponding impact to lease liabilities	35.87	15.46	15.46	17.55	4.25

The above statement should be read with basis of preparation, significant accounting policies and notes forming part of the Restated Financial Information appearing in Annexure VI and Statement of Adjustments to Audited Financial Statements appearing in Annexure VII as per our report attached.

As per our report attached of even date

For Birju S. Shah & Associates
Chartered Accountants
Firm Registration No: 131554W

For and on behalf of the Board of Directors of
Aether Industries Limited
CIN: U24100GJ2013PLC073434

Birju S. Shah
Proprietor
Membership No: 107086

Ashwin Desai
Managing Director
DIN: 00038386
Place: Surat
Date: April 28, 2022

Rohan Desai
Whole Time Director
DIN: 00038379
Place: Surat
Date: April 28, 2022

Place: Surat
Date: April 28, 2022
ICAI UDIN: 22107086AHYQDG5195

Faiz Nagariya
Chief Financial Officer
PAN: ADBPN8514G
Place: Surat
Date: April 28, 2022

Chitrarth Parghi
Company Secretary
Mem. No.: A54033
Place: Surat
Date: April 28, 2022

(All amounts in Indian Rupees millions, unless otherwise stated)

(a) Equity share capital

Particulars	As at 31 December 2021		As at 31 December 2020		As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
Balance at the beginning of the reporting period / year	1,00,98,567	100.99	85,60,200	85.60	85,60,200	85.60	85,60,200	85.60	85,60,200	85.60
Changes in equity share capital during the period / year	10,25,92,830	1,025.93	-	-	15,38,367	15.38	-	-	-	-
Balance at the end of the reporting period / year	**11,26,91,397**	**1,126.91**	**85,60,200**	**85.60**	**1,00,98,567**	**100.99**	**85,60,200**	**85.60**	**85,60,200**	**85.60**

For any subsequent event changes relating to share capital, refer note number 51(a).

(b) Other equity

Particulars	Reserves and surplus		Total other equity
	Securities premium	Retained earnings	
Balance at 1 April 2018	-	67.25	67.25
Total comprehensive income for the year ended 31 March 2019			
Profit for the year	-	233.35	233.35
Other comprehensive income (net of tax)			-
- Remeasurements of defined benefit liability / (asset)	-	(0.75)	(0.75)
Total comprehensive income	-	232.60	232.60
Balance at 31 March 2019	-	299.85	299.85
Balance at 1 April 2019	-	299.85	299.85
Total comprehensive income for the year ended 31 March 2020			
Profit for the year	-	399.56	399.56
Other comprehensive income (net of tax)			-
- Remeasurements of defined benefit liability / (asset)	-	(2.24)	(2.24)
Total comprehensive income	-	397.32	397.32
Balance at 31 March 2020	-	697.17	697.17
Balance at 1 April 2020	-	697.17	697.17
Total comprehensive income for the year ended 31 March 2020			
Profit for the year	-	711.19	711.19
Other comprehensive income (net of tax)			-
- Remeasurements of defined benefit liability / (asset)	-	(0.64)	(0.64)
Total comprehensive income	-	710.55	710.55
Share premium on conversion of preference shares	234.62	-	234.62
			-
Balance at 31 March 2021	234.62	1,407.72	1,642.34
Balance at 1 April 2020	-	697.17	697.17
Total comprehensive income for the period ended 31 December 2020			
Profit for the period	-	482.54	482.54
Other comprehensive income (net of tax)			-
- Remeasurements of defined benefit liability / (asset)	-	(1.33)	(1.33)
Total comprehensive income	-	481.21	481.21
Balance at 31 December 2020	-	1,178.38	1,178.38
Balance at 1 April 2021	234.62	1,407.72	1,642.34
Total comprehensive income for the period ended 31 December 2021			
Profit for the period	-	829.06	829.06
Appropriation: Utilized for the issue of Bonus Shares (Bonus Equity Shares issued in the Ratio 1:10)	(234.62)	(775.24)	(1,009.86)
Add: Preferential Allotment of Shares (1607160 Equity Shares of Rs. 10 each at a Premium of Rs. 623 per share)	1,015.73	-	1,015.73
Other comprehensive income (net of tax)			
- Remeasurements of defined benefit liability / (asset)	-	(1.42)	(1.42)
Total comprehensive income	781.11	52.40	833.51
Balance at 31 December 2021	1,015.73	1,460.12	2,475.85

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.

The above statement should be read with basis of preparation, significant accounting policies and notes forming part of the Restated Financial Information appearing in Annexure VI and Statement of Adjustments to Audited Financial Statements appearing in Annexure VII as per our report attached.
Notes to the financial statements
As per our report of even date attached.

For Birju S. Shah & Associates
Chartered Accountants
Firm Registration No: 131554W

Birju S. Shah
Proprietor
Membership No: 107086

Place: Surat
Date: April 28, 2022
ICAI UDIN: 22107086AHYQDG5195

For and on behalf of the Board of Directors of
Aether Industries Limited
CIN: U24100GJ2013PLC073434

Ashwin Desai
Managing Director
DIN: 00038386
Place: Surat
Date: April 28, 2022

Rohan Desai
Whole Time Director
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Place: Surat
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Faiz Nagariya
Chief Financial Officer
PAN: ADBPN8514G
Place: Surat
Date: April 28, 2022

Chitrarth Parghi
Company Secretary
Mem. No.: A54033
Place: Surat
Date: April 28, 2022

1 Reporting Entity

Aether Industries Ltd (Aether) was incorporated on January 23, 2013 as a Public Limited Company under the Companies Act, 1956. 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 U24100GJ2013PLC073434.

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 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 Rs. 248.60 million in FY 2016-17 and Rs. 1,091.90 million in FY 2017-18.

The Company achieved Sales Turnover of Rs. 2,011.80 million and Total Revenue of Rs. 2,032.77 million in the FY 2018-19 with an EBIDTA Margin of 24.40%.

The Company achieved Sales Turnover of Rs. 3,018.06 million and Total Revenue of Rs. 3,037.81 million in the FY 2019-20 with an EBIDTA Margin of 24.27%.

The Company achieved Sales Turnover of Rs. 4,498.16 million and Total Revenue of Rs. 4,537.89 million in the FY 2020-21 with an EBIDTA Margin of 25.59%. The Company, because of its continuous growth and increasing demands for the products, along with the necessity to launch new products for various applications, is once again planning for yet another expansion. For the said new expansion, the Company has procured a Plot of Land in GIDC Industrial Estate, admeasuring 5250 Sq. Mtrs. and the same is located diagonally opposite to the current location of the Company. The new plot acquired by the Company is 8202/1 and the current one is 8203.

The Company achieved Sales Turnover of Rs. 4,425.44 million and Total Revenue of Rs. 4,493.15 million in the nine months of FY 2021-22 with an EBIDTA Margin of 29.55%.

Production capacity of 6096 MTPA (March 31, 2021: 6096 MTPA, December 30, 2020: 6096 MTPA, March 31, 2020: 4128 MTPA and March 31, 2019: 2952 MTPA) is available in our state-of-art and DCS automated manufacturing facilities. 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 Significant Accounting Policies

The Restated Financial Statements comprise of the Restated Statement of Assets and Liabilities as at 31 December 2021, 31 December 2020, 31 March 2021, 31 March 2020, and 31 March 2019, the related Restated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Statement of Changes in Equity, and the Restated Statement of Cash Flows for the nine months period ended 31 December 2021 and 31 December 2020 and for the years ended 31 March 2021, 31 March 2020 and 31 March 2019, and the Significant Accounting Policies and Restated Other Financial Information.

These Restated Financial Statements have been prepared as required under the SEBI ICDR Regulations for the purpose of inclusion in this Draft Red Herring Prospectus, 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 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 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) The Restated Ind AS Statement of Assets and Liabilities of the Company as at 31 December 2021, 31 December 2020, 31 March 2021, 31 March 2020 and 31 March 2019 and the Restated Ind AS Statement of Profit and Loss, Restated Ind AS Statement of Changes in Equity and Restated Ind AS Statement of Cash Flows for the period ended 31 December 2021, 31 December 2020, 31 March 2021, 31 March 2020 and 31 March 2019 (hereinafter collectively referred to as "Restated Ind AS Financial Information") have been prepared specifically for inclusion in the Draft Red Herring Prospectus (DRHP) to be filed by the Company with the Securities and Exchange Board of India ("SEBI") in connection with proposed Initial Public Offering ("IPO").

(ii) The audited financial statements of the Company as at and for the nine months period ended 31 December 2021 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 April 28, 2022.

(iii) The audited special purpose Ind AS financial statements as at and for the nine months period ended 31 December 2020 and years ended 31 March 2021, 31 March 2020 and 31 March 2019 each prepared in accordance with Ind AS. The management of the Company has adjusted financial information for the period ended 31 December 2020 and years ended 31 March 2021, 31 March 2020 and 31 March 2019 using recognition and measurement principles of Ind AS, on its first time adoption of Ind AS as on the transition date April 1, 2018, and has included such adjusted financial information as comparative financial information in the financial statements for the nine months period ended 31 December 2021 and 31 December 2020. In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, the Company has presented an explanation of how the transition to IND AS has affected the previously reported financial position, financial performance and cash flows (Refer Annexure VII).

The Board of Directors approved the Restated Financial Statements as per the Ind AS, for the years / periods ended on 31 December 2021, 31 December 2020, 31 March 2021, 31 March 2020 and 31 March 2019 and authorised to issue the same vide resolution passed in the Board Meeting held on April 28, 2022.

B. Basis of measurement:

The Restated 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 Restated Financial Statements is INR 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 Nos. 42 & 43- 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 36 - 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 Restated Financial Statements have been prepared on a going concern basis. The management has, given the significant uncertainties arising out of the outbreak of COVID-19, as explained in note below, 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.

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 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 derecognised 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 management has estimated the useful life of the Tangible Assets as mentioned below:

Asset Class	Years
Factory Building	30
Other Building	10
Plant & Machinery	20
Plant & Machinery (Pipelines)	15
Office Equipment	5
Factory Equipment	10
Computer Equipment (Servers & Networks)	6
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, 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 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.

Amortisation:

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 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 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 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.

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 then 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 along with any tax thereon.

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.

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 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.

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.

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 sustentive 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 lase 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 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 being 79 years 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 of 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 a 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 it 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.

Minimum Alternate Tax (MAT):

Minimum Alternate Tax(MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

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.

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. Undiscounted 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 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 the Financial Year. 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.

(All amounts in Indian Rupees millions, unless otherwise stated)

3 Property, plant and equipment

Particulars	Gross Block				Depreciation				Net Block	
	As at 01 April 2021	Additions	Disposals during the period	As at 31 December 2021	As at 01 April 2021	Charge for the period	Disposals during the period	As at 31 December 2021	As at 01 April 2021	As at 31 December 2021
Factory building	281.78	50.61	-	332.39	28.29	7.07	-	35.36	253.49	297.03
Other building	21.11	-	-	21.11	8.53	1.51	-	10.04	12.58	11.07
Plant and machinery	1,744.06	324.22	-	2,068.28	173.01	69.82	-	242.83	1,571.05	1,825.45
Office equipment	17.41	6.53	-	23.94	7.06	2.62	-	9.68	10.35	14.26
Factory equipment (electric)	174.62	33.41	-	208.03	28.97	13.51	-	42.48	145.65	165.55
Computer equipment	34.03	4.67	-	38.70	23.38	3.54	-	26.92	10.65	11.78
Other equipment	62.94	8.06	-	71.00	21.93	4.74	-	26.67	41.01	44.32
Furniture and fixtures	21.68	3.52	-	25.20	6.42	1.66	-	8.08	15.26	17.11
Vehicle equipment	6.23	1.72	-	7.95	1.29	0.62	-	1.91	4.94	6.03
Total	**2,363.86**	**432.73**	**-**	**2,796.59**	**298.88**	**105.11**	**-**	**403.99**	**2,064.98**	**2,392.60**

Particulars	Gross Block				Depreciation				Net Block	
	As at 01 April 2020	Additions	Disposals during the period	As at 31 December 2020	As at 01 April 2020	Charge for the period	Disposals during the period	As at 31 December 2020	As at 01 April 2020	As at 31 December 2020
Factory building	217.42	54.62	-	272.04	20.00	6.47	-	26.47	197.42	245.57
Other building	21.11	-	-	21.11	6.52	1.51	-	8.03	14.59	13.08
Plant & machinery	960.16	649.82	(0.62)	1,609.36	105.95	51.80	(0.06)	157.69	854.21	1,451.67
Office equipment	12.34	2.96	-	15.30	4.60	1.83	-	6.43	7.74	8.86
Factory equipment (electric)	87.57	53.61	-	141.18	17.59	8.29	-	25.88	69.98	115.30
Computer equipment	27.17	4.35	-	31.52	20.23	2.36	-	22.59	6.94	8.94
Other equipment	52.79	8.54	-	61.33	16.40	4.24	-	20.64	36.39	40.69
Furniture & fixtures	17.75	2.26	-	20.01	4.64	1.31	-	5.95	13.11	14.06
Vehicle equipment	6.15	-	-	6.15	0.56	0.55	-	1.11	5.59	5.04
Total	**1,402.46**	**776.16**	**(0.62)**	**2,178.00**	**196.49**	**78.38**	**(0.06)**	**274.81**	**1,205.97**	**1,903.20**

Particulars	Gross Block				Depreciation				Net Block	
	As at 01 April 2020	Additions	Disposals during the year	As at 31 March 2021	As at 01 April 2020	Charge for the year	Disposals during the year	As at 31 March 2021	As at 01 April 2020	As at 31 March 2021
Factory building	217.42	64.36	-	281.78	20.00	8.29	-	28.29	197.42	253.49
Other building	21.11	-	-	21.11	6.52	2.01	-	8.53	14.59	12.58
Plant & machinery	960.16	790.69	(6.79)	1,744.06	105.95	67.58	(0.52)	173.01	854.21	1,571.05
Office equipment	12.34	5.07	-	17.41	4.60	2.46	-	7.06	7.74	10.35
Factory equipment (electric)	87.57	87.05	-	174.62	17.59	11.38	-	28.97	69.98	145.65
Computer equipment	27.17	6.86	-	34.03	20.23	3.15	-	23.38	6.94	10.65
Other equipment	52.79	10.15	-	62.94	16.40	5.53	-	21.93	36.39	41.01
Furniture & fixtures	17.75	3.93	-	21.68	4.64	1.78	-	6.42	13.11	15.26
Vehicle equipment	6.15	0.08	-	6.23	0.56	0.73	-	1.29	5.59	4.94
Total	**1,402.46**	**968.19**	**(6.79)**	**2,363.86**	**196.49**	**102.91**	**(0.52)**	**298.88**	**1,205.97**	**2,064.98**

Particulars	Gross Block				Depreciation				Net Block	
	As at 01 April 2019	Additions	Disposals during the year	As at 31 March 2020	As at 01 April 2019	Charge for the year	Disposals during the year	As at 31 March 2020	As at 01 April 2019	As at 31 March 2020
Factory building	209.42	8.00	-	217.42	13.20	6.80	-	20.00	196.22	197.42
Other building	21.11	-	-	21.11	4.51	2.01	-	6.52	16.60	14.59
Plant & machinery	726.67	233.49	-	960.16	64.05	41.90	-	105.95	662.62	854.21
Office equipment	7.68	4.66	-	12.34	3.01	1.59	-	4.60	4.67	7.74
Factory equipment (electric)	62.44	25.13	-	87.57	10.34	7.25	-	17.59	52.10	69.98
Computer equipment	22.20	4.97	-	27.17	14.10	6.13	-	20.23	8.10	6.94
Other equipment	45.68	7.11	-	52.79	11.68	4.72	-	16.40	34.00	36.39
Furniture & fixtures	16.67	1.08	-	17.75	3.02	1.62	-	4.64	13.65	13.11
Vehicle equipment	-	6.15	-	6.15	-	0.56	-	0.56	-	5.59
Total	**1,111.87**	**290.59**	**-**	**1,402.46**	**123.91**	**72.58**	**-**	**196.49**	**987.96**	**1,205.97**

Particulars	Gross Block				Depreciation				Net Block	
	As at 01 April 2018	Additions	Disposals during the year	As at 31 March 2019	As at 01 April 2018	Charge for the year	Disposals during the year	As at 31 March 2019	As at 01 April 2018	As at 31 March 2019
Factory building	208.44	0.98	-	209.42	6.59	6.61	-	13.20	201.85	196.22
Other building	21.11	-	-	21.11	2.50	2.01	-	4.51	18.61	16.60
Plant and machinery	625.45	102.01	(0.79)	726.67	30.49	33.64	(0.08)	64.05	594.96	662.62
Office equipment	5.00	2.68	-	7.68	2.04	0.97	-	3.01	2.96	4.67
Factory equipment (electric)	53.67	8.77	-	62.44	4.92	5.42	-	10.34	48.75	52.10
Computer equipment	20.44	1.76	-	22.20	8.10	6.00	-	14.10	12.34	8.10
Other equipment	41.46	4.22	-	45.68	7.54	4.14	-	11.68	33.92	34.00
Furniture and fixtures	14.33	2.34	-	16.67	1.49	1.53	-	3.02	12.84	13.65
Vehicle equipment	-	-	-	-	-	-	-	-	-	-
Total	**989.90**	**122.76**	**(0.79)**	**1,111.87**	**63.67**	**60.32**	**(0.08)**	**123.91**	**926.23**	**987.96**

Title deeds of Immovable Properties not held in name of the Company:

Descriptions	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
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	N.A.				

Refer note no. 20 and 22 for information on property, plant and equipment pledged as securities by the company

4 Capital work-in-progress

Particulars	As at 01 April 2021	Additions	Capitalised during the period	As at 31 December 2021
Capital work-in-progress	1.98	489.86	(434.61)	57.22
Total	**1.98**	**489.86**	**(434.61)**	**57.22**

Particulars	As at 01 April 2020	Additions	Capitalised during the period	As at 31 December 2020
Capital work-in-progress	172.27	636.44	(778.03)	30.68
Total	**172.27**	**636.44**	**(778.03)**	**30.68**

Particulars	As at 01 April 2020	Additions	Capitalised during the year	As at 31 March 2021
Capital work-in-progress	172.27	800.62	(970.91)	1.98
Total	**172.27**	**800.62**	**(970.91)**	**1.98**

Particulars	As at 01 April 2019	Additions	Capitalised during the year	As at 31 March 2020
Capital work-in-progress	12.44	452.22	(292.39)	172.27
Total	**12.44**	**452.22**	**(292.39)**	**172.27**

Particulars	As at 01 April 2018	Additions	Capitalised during the year	As at 31 March 2019
Capital work-in-progress	18.55	120.28	(126.39)	12.44
Total	**18.55**	**120.28**	**(126.39)**	**12.44**

Additional disclosures as per Schedule -III requirement:

Amount in CWIP for a period of	Projects in Progress					Projects temporarily suspended				
	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Less than 1 Year	55.25	30.32	1.62	164.43	4.59	-	-	-	-	-
1-2 Years	1.98	0.36	0.36	-	7.85	-	-	-	-	-
2-3 Years	-	-	-	7.85	-	-	-	-	-	-
More than 3 Years	-	-	-	-	-	-	-	-	-	-
Total	**57.22**	**30.68**	**1.98**	**172.28**	**12.44**	**-**	**-**	**-**	**-**	**-**

5 Right-of-use assets

Particulars	Gross Block				Amortisation				Net Block	
	As at 01 April 2021	Additions	Disposals during the period	As at 31 December 2021	As at 01 April 2021	Charge for the period	Disposals during the period	As at 31 December 2021	As at 01 April 2021	As at 31 December 2021
Leasehold land	68.19	94.15	-	162.34	5.17	1.06	-	6.23	63.02	156.11
Properties (Land & Building)	38.47	35.87	-	74.34	9.75	6.61	-	16.36	28.72	57.98
Total Assets	**106.66**	**130.02**	**-**	**236.68**	**14.92**	**7.67**	**-**	**22.59**	**91.74**	**214.09**

Particulars	Gross Block				Amortisation				Net Block	
	As at 01 April 2020	Additions	Disposals during the period	As at 31 December 2020	As at 01 April 2020	Charge for the period	Disposals during the period	As at 31 December 2020	As at 01 April 2020	As at 31 December 2020
Leasehold land	68.19	-	-	68.19	4.31	0.65	-	4.96	63.88	63.23
Properties (Land & Building)	23.01	15.46	-	38.47	5.31	3.24	-	8.55	17.70	29.92
Total Assets	**91.20**	**15.46**	**-**	**106.66**	**9.62**	**3.88**	**-**	**13.50**	**81.58**	**93.16**

Particulars	Gross Block				Amortisation				Net Block	
	As at 01 April 2020	Additions	Disposals during the year	As at 31 March 2021	As at 01 April 2020	Charge for the year	Disposals during the year	As at 31 March 2021	As at 01 April 2020	As at 31 March 2021
Leasehold land	68.19	-	-	68.19	4.31	0.86	-	5.17	63.88	63.02
Properties (Land & Building)	23.01	15.46	-	38.47	5.31	4.44	-	9.75	17.70	28.72
Total Assets	**91.20**	**15.46**	**-**	**106.66**	**9.62**	**5.30**	**-**	**14.92**	**81.58**	**91.74**

Particulars	Gross Block				Amortisation				Net Block	
	As at 01 April 2019	Additions	Disposals during the period	As at 31 March 2020	As at 01 April 2019	Charge for the year	Disposals during the period	As at 31 March 2020	As at 01 April 2019	As at 31 March 2020
Leasehold land	68.19	-	-	68.19	3.45	0.86	-	4.31	64.74	63.88
Properties (Land & Building)	5.46	17.55	-	23.01	2.08	3.23	-	5.31	3.38	17.70
Total Assets	**73.65**	**17.55**	**-**	**91.20**	**5.53**	**4.09**	**-**	**9.62**	**68.12**	**81.58**

Particulars	Gross Block				Amortisation				Net Block	
	As at 01 April 2018	Additions	Disposals during the year	As at 31 March 2019	As at 01 April 2018	Charge for the year	Disposals during the year	As at 31 March 2019	As at 01 April 2018	As at 31 March 2019
Leasehold land	68.19	-	-	68.19	2.59	0.86	-	3.45	65.60	64.74
Properties (Land & Building)	1.21	4.25	-	5.46	0.89	1.19	-	2.08	0.32	3.38
Total Assets	**69.40**	**4.25**	**-**	**73.65**	**3.48**	**2.05**	**-**	**5.53**	**65.92**	**68.12**

(All amounts in Indian Rupees millions, unless otherwise stated)

6 Other intangibles assets

Particulars	Gross Block				Amortisation				Net Block	
	As at 01 April 2021	Additions	Deletions during the period	As at 31 December 2021	As at 01 April 2021	Charge for the period	Deletions during the period	As at 31 December 2021	As at 01 April 2021	As at 31 December 2021
Computer Software	11.35	0.59	-	11.94	5.89	1.38	-	7.27	5.46	4.67
Others	1.45	0.19	-	1.64	1.30	0.04	-	1.34	0.15	0.31
Total	**12.80**	**0.78**	**-**	**13.58**	**7.19**	**1.41**	**-**	**8.60**	**5.61**	**4.98**

Particulars	Gross Block				Amortisation				Net Block	
	As at 01 April 2020	Additions	Deletions during the period	As at 31 December 2020	As at 01 April 2020	Charge for the period	Deletions during the period	As at 31 December 2020	As at 01 April 2020	As at 31 December 2020
Computer Software	9.59	1.06	-	10.65	4.30	1.19	-	5.49	5.29	5.16
Others	1.45	-	-	1.45	0.99	0.22	-	1.21	0.46	0.24
Total	**11.04**	**1.06**	**-**	**12.10**	**5.29**	**1.41**	**-**	**6.70**	**5.75**	**5.40**

Particulars	Gross Block				Amortisation				Net Block	
	As at 01 April 2020	Additions	Deletions during the year	As at 31 March 2021	As at 01 April 2020	Charge for the year	Deletions during the year	As at 31 March 2021	As at 01 April 2020	As at 31 March 2021
Computer Software	9.59	1.76	-	11.35	4.30	1.59	-	5.89	5.29	5.46
Others	1.45	-	-	1.45	0.99	0.31	-	1.30	0.46	0.15
Total	**11.04**	**1.76**	**-**	**12.80**	**5.29**	**1.90**	**-**	**7.19**	**5.75**	**5.61**

Particulars	Gross Block				Amortisation				Net Block	
	As at 01 April 2019	Additions	Deletions during the year	As at 31 March 2020	As at 01 April 2019	Charge for the year	Deletions during the year	As at 31 March 2020	As at 01 April 2019	As at 31 March 2020
Computer Software	9.10	0.49	-	9.59	2.83	1.47	-	4.30	6.27	5.29
Others	1.33	0.12	-	1.45	0.65	0.34	-	0.99	0.68	0.46
Total	**10.43**	**0.61**	**-**	**11.04**	**3.48**	**1.81**	**-**	**5.29**	**6.95**	**5.75**

Particulars	Gross Block				Amortisation				Net Block	
	As at 01 April 2018	Additions	Deletions during the year	As at 31 March 2019	As at 01 April 2018	Charge for the year	Deletions during the year	As at 31 March 2019	As at 01 April 2018	As at 31 March 2019
Computer Software	8.43	0.67	-	9.10	1.46	1.37	-	2.83	6.97	6.27
Others	1.33	-	-	1.33	0.32	0.33	-	0.65	1.01	0.68
Total	**9.76**	**0.67**	**-**	**10.43**	**1.78**	**1.70**	**-**	**3.48**	**7.98**	**6.95**

(All amounts in Indian Rupees millions, unless otherwise stated)

		As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
7	**Investments**					
	Unquoted equity shares					
	3 (31 December 2020: 3, 31 March 2021: 3 , 31 March 2020: 3, 31 March 2019 : 3) equity shares of Sachin Industrial Co. Op. Society Limited, of Rs.500 each fully paid-up	0.00	0.00	0.00	0.00	0.00
	1,16,851 (31 December 2020: 1,16,851; 31 March 2021: 1,16,851; 31 March 2020: 1,16,851; 31 March 2019: 1,16,851) equity shares of Globe Enviro Care Limited, of Rs.10 each fully paid-up	2.09	2.09	2.09	2.09	2.09
		2.09	**2.09**	**2.09**	**2.09**	**2.09**
	Aggregate value of unquoted investments	2.09	2.09	2.09	2.09	2.09
	Aggregate amount of impairment in value of investments	-	-	-	-	-
8	**Other financial assets (Unsecured, considered good)**					
	Security deposits	18.47	17.57	15.34	20.24	20.17
		18.47	**17.57**	**15.34**	**20.24**	**20.17**
9	**Other non-current assets (Unsecured, considered good)**					
	Capital advances	231.41	18.69	12.42	38.88	7.93
		231.41	**18.69**	**12.42**	**38.88**	**7.93**
10	**Inventories**					
	Raw material	416.73	213.69	392.82	199.72	139.85
	Work in progress	572.85	315.95	271.53	298.54	198.51
	Finished goods	295.76	99.06	115.06	181.28	35.10
	Stores and spares	47.73	36.46	48.54	26.47	17.35
	Others :					
	Packing materials	13.24	8.40	10.80	6.59	3.30
	Research and development materials	151.17	9.50	8.53	6.79	4.25
		1,497.48	**683.06**	**847.28**	**719.39**	**398.36**

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.

(All amounts in Indian Rupees millions, unless otherwise stated)

11	Investments	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
	Investment in mutual funds - Quoted					
	28 (31 December 2020 : 28 ; 31 March 2021 : 28 ; 31 March 2020 : 28 ; 31 March 2019 : 28) SBI Magnum Insta Cash Funds	0.13	0.13	0.13	0.13	0.12
	48,847.139 (31 December 2020 : Nil ; 31 March 2021 : 68,545 ; 31 March 2020 : Nil ; 31 March 2019 : Nil) Nippon India Money Market Fund	191.18	-	220.77	-	-
		191.31	**0.13**	**220.90**	**0.13**	**0.12**
		191.31	**0.13**	**220.90**	**0.13**	**0.12**
	(b) Aggregate market value of quoted investments	**191.31**	**0.13**	**220.90**	**0.13**	**0.12**

12	Trade receivables					
	Trade Receivables considered good - Secured	99.80	20.14	31.73	19.39	17.81
	Trade Receivables considered good - Unsecured	1,591.08	1,052.48	1,049.78	609.78	464.13
	Trade Receivables which have significant increase in credit risk	0.89	0.89	0.89	0.53	-
	Trade Receivables - credit impaired	-	-	-	-	-
		1,691.78	1,073.51	1,082.40	629.70	481.94
	Less: Allowance for doubtful receivables	-	-	-	-	-
	Total trade receivables	**1,691.78**	**1,073.51**	**1,082.40**	**629.70**	**481.94**
	The above amount includes :					
	Receivable from related parties	-	-	-	-	-
	Receivable from other than related parties	1,691.78	1,073.51	1,082.40	629.70	481.94
	Total	**1,691.78**	**1,073.51**	**1,082.40**	**629.70**	**481.94**

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.

As at 31 December 2021

Particulars	Outstanding for following periods from due date of Payment					
	Less than 6 Months	6 Months-1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivables - considered good	1,649.27	40.99	-	-	-	1,690.26
(ii) Undisputed Trade Receivables - which have significant increase in Credit risk	-	-	0.94	0.59	-	1.53
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in Credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
	1,649.27	**40.99**	**0.94**	**0.59**	**-**	**1,691.78**

As at 31 December 2020

Particulars	Outstanding for following periods from due date of Payment					
	Less than 6	6 Months-	1-2 Years	2-3 Years	More than 3	Total
(i) Undisputed Trade Receivables - considered good	1,066.98	6.16	-	-	-	1,073.14
(ii) Undisputed Trade Receivables - which have significant increase in Credit risk	-	0.35	0.01	-	-	0.37
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in Credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
	1,066.98	**6.51**	**0.01**	**-**	**-**	**1,073.51**

As at 31 March 2021

Particulars	Outstanding for following periods from due date of Payment					
	Less than 6	6 Months-	1-2 Years	2-3 Years	More than 3	Total
(i) Undisputed Trade Receivables - considered good	1,081.51	-	-	-	-	1,081.51
(ii) Undisputed Trade Receivables - which have significant increase in Credit risk	-	0.31	0.57	0.01	-	0.89
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in Credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
	1,081.51	**0.31**	**0.57**	**0.01**	**-**	**1,082.40**

As at 31 March 2020

Particulars	Outstanding for following periods from due date of Payment					
	Less than 6	6 Months-	1-2 Years	2-3 Years	More than 3	Total
(i) Undisputed Trade Receivables - considered good	629.17	-	-	-	-	629.17
(ii) Undisputed Trade Receivables - which have significant increase in Credit risk	-	0.53	-	-	-	0.53
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in Credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
	629.17	**0.53**	**-**	**-**	**-**	**629.70**

As at 31 March 2019

Particulars	Outstanding for following periods from due date of Payment					
	Less than 6	6 Months-	1-2 Years	2-3 Years	More than 3	Total
(i) Undisputed Trade Receivables - considered good	481.94	-	-	-	-	481.94
(ii) Undisputed Trade Receivables - which have significant increase in Credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in Credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
	481.94	**-**	**-**	**-**	**-**	**481.94**

(All amounts in Indian Rupees millions, unless otherwise stated)

	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
13 Cash and cash equivalents					
Cash in hand	0.51	0.44	0.39	0.43	0.32
Balances with banks					
Current accounts	49.19	0.14	0.15	0.13	0.66
EEFC accounts	5.94	13.72	34.60	0.17	-
	55.64	**14.30**	**35.14**	**0.73**	**0.98**
14 Bank balances other than cash and cash equivalents					
Other bank balances					
Margin Money - Fixed Deposits	29.15	20.01	20.49	35.27	12.03
Others - Fixed Deposits	400.00				
(with maturity of more than 3 months but less than 12 months)					
	429.15	**20.01**	**20.49**	**35.27**	**12.03**
15 Loans					
Loans to employees*	9.82	7.95	7.92	7.04	5.12
	9.82	**7.95**	**7.92**	**7.04**	**5.12**
Breakup of security details					
Loans, considered good - secured	-	-	-	-	-
Loans, considered good - unsecured	9.82	7.95	7.92	7.04	5.12
Loans, considered doubtful / credit impaired	-	-	-	-	-
Total	**9.82**	**7.95**	**7.92**	**7.04**	**5.12**
Less: Loss allowance	-	-	-	-	-
Total loans receivables	**9.82**	**7.95**	**7.92**	**7.04**	**5.12**

*Loan to employees do not include any loan given to promoters, directors, KMPs and any other related parties.

	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
16 Other financial assets					
Security deposit	-	3.75	3.60	0.60	-
Interest receivable (from fixed deposits with banks)	2.02	-	0.36	-	-
Interest receivable	-	-	-	-	0.99
Gratuity asset (Refer note 45 for further disclosures)	-	-	1.75	-	0.69
	2.02	**3.75**	**5.71**	**0.60**	**1.68**

17 Other current assets	**As at 31 December 2021**	**As at 31 December 2020**	**As at 31 March 2021**	**As at 31 March 2020**	**As at 31 March 2019**
Advances recoverable in cash	31.85	39.83	4.43	35.31	2.53
Balances with government authorities	211.93	76.89	98.78	39.46	52.76
Prepaid expenses	22.08	10.73	12.23	10.25	5.57
Other advances	31.70	-	-	-	-
	297.56	**127.45**	**115.44**	**85.02**	**60.86**

(All amounts in Indian Rupees millions, unless otherwise stated)

18 Share capital

Particulars	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Authorised :					
14,00,00,000 (31 December 2020: 1,00,00,000; 31 March 2021: 1,50,00,000; 31 March 2020: 1,00,00,000; 31 March 2019: 1,00,00,000) equity shares of Rs.10 each.	1,400.00	100.00	150.00	100.00	100.00
NIL (31 December 2020 : 2,50,00,000; 31 March 2021: 2,50,00,000; 31 March 2020: 2,50,00,000; 31 March 2019: 2,50,00,000) preference shares of Rs.10 each	-	250.00	250.00	250.00	250.00
TOTAL	**1,400.00**	**350.00**	**400.00**	**350.00**	**350.00**
Issued and subscribed and paid up:					
Equity share capital					
11,26,91,397 (31 December 2020 : 85,60,200 ; 31 March 2021 : 1,00,98,567 ; 31 March 2020 : 85,60,200 ; 31 March 2019 : 85,60,200) equity shares of Rs.10 each fully paid-up	1,126.91	85.60	100.99	85.60	85.60
TOTAL	**1,126.91**	**85.60**	**100.99**	**85.60**	**85.60**

Reconciliation of number of shares outstanding at the beginning and end of the year/period :

Equity share :	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
	Number of Shares	**Number of Shares**	**Number of Shares**	**Number of Shares**	**Number of Shares**
Outstanding at the beginning of the year/period	1,00,98,567	85,60,200	85,60,200	85,60,200	85,60,200
Add: Issued during the period	10,25,92,830	-	15,38,367	-	-
Outstanding at the end of the year/period	**11,26,91,397**	**85,60,200**	**1,00,98,567**	**85,60,200**	**85,60,200**

* Number of shares is presented as absolute number.

(All amounts in Indian Rupees millions, unless otherwise stated)

Terms / Rights attached to each classes of shares

Rights, preferences and restrictions attached to equity shares

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 two class of shares referred to as Equity Shares and Preference Shares having a par value of Rs. 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 Rs 10 each fully paid	As at 31 December 2021		As at 31 December 2020	
	Number of Shares	Number of Shares %	Number of Shares	Number of Shares %
Purnima Ashwin Desai	51,50,269	4.57%	85,15,000	99.47%
Ashwin Jayantilal Desai	9,08,771	0.81%		0.00%
Rohan Ashwin Desai	20,09,613	1.78%		0.00%
Aman Ashwin Desai	13,00,912	1.15%		0.00%
Aman Desai (HUF)	7,13,802	0.63%		0.00%

Equity shares of Rs 10 each fully paid	As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	Number of Shares	Number of Shares %	Number of Shares	Number of Shares %	Number of Shares	Number of Shares %
Purnima Ashwin Desai	51,50,269	51.00%	85,15,000	99.47%	85,15,000	99.47%
Ashwin Jayantilal Desai	9,08,771	9.00%		0.00%		0.00%
Rohan Ashwin Desai	20,09,613	19.90%		0.00%		0.00%
Aman Ashwin Desai	13,00,912	12.88%		0.00%		0.00%
Aman Desai (HUF)	7,13,802	7.07%		0.00%		0.00%

Promotors Shareholding in the Company is set out below:

Equity shares of Rs 10 each fully paid	As at 31 December 2021		As at 31 December 2020	
	Number of Shares	Number of Shares %	Number of Shares	Number of Shares %
Purnima Ashwin Desai	51,50,269	4.57%	85,15,000	99.47%
Ashwin Jayantilal Desai	9,08,771	0.81%	15,000	0.18%
Rohan Ashwin Desai	20,09,613	1.78%	5,000	0.06%
Aman Ashwin Desai	13,00,912	1.15%	10,000	0.12%
Aman Desai (HUF)	7,13,802	0.63%	-	0.00%
Payal Rohan Desai	10,000	0.01%	10,000	0.12%
Ishita Surendra Manjrekar	5,000	0.00%	5,000	0.06%
Rohan Desai (HUF)	100	0.00%	100	0.00%
Ashwin Jayantilal Desai (HUF)	100	0.00%	100	0.00%

Equity shares of Rs 10 each fully paid	As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	Number of Shares	Number of Shares %	Number of Shares	Number of Shares %	Number of Shares	Number of Shares %
Purnima Ashwin Desai	51,50,269	51.00%	85,15,000	99.47%	85,15,000	99.47%
Ashwin Jayantilal Desai	9,08,771	9.00%	15,000	0.18%	15,000	0.18%
Rohan Ashwin Desai	20,09,613	19.90%	5,000	0.06%	5,000	0.06%
Aman Ashwin Desai	13,00,912	12.88%	10,000	0.12%	10,000	0.12%
Aman Desai (HUF)	7,13,802	7.07%	-	0.00%	-	0.00%
Payal Rohan Desai	10,000	0.10%	10,000	0.12%	10,000	0.12%
Ishita Surendra Manjrekar	5,000	0.05%	5,000	0.06%	5,000	0.06%
Rohan Desai (HUF)	100	0.00%	100	0.00%	100	0.00%
Ashwin Jayantilal Desai (HUF)	100	0.00%	100	0.00%	100	0.00%

(All amounts in Indian Rupees millions, unless otherwise stated)

19 Other equity

	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Reserves and surplus					
A. Retained earnings	1,460.12	1,178.39	1,407.72	697.17	299.85
B. Securities premium	1,015.73	-	234.62	-	-
	2,475.85	**1,178.39**	**1,642.34**	**697.17**	**299.85**

	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
A. Retained earnings					
Opening balance	1,407.72	697.17	697.17	299.85	67.25
Profit for the period / year	829.06	482.54	711.19	399.56	233.35
Appropriation: Utilized for the issue of Bonus Shares (Bonus Equity Shares issued in the Ratio 1:10)	(775.24)				
Other comprehensive (loss)/ income					
-Remeasurements of defined benefit liability / (asset) (net of tax)	(1.42)	(1.33)	(0.64)	(2.24)	(0.75)
Closing balance	**1,460.12**	**1,178.39**	**1,407.72**	**697.17**	**299.85**
B. Securities Premium					
As at beginning and end of the period/year	234.62	-	-	-	-
Less: Utilized for the issue of Bonus Shares (Bonus Equity Shares issued in the Ratio 1:10)	(234.62)				
Add: Preferential Allotment of Shares (1607160 Equity Shares of Rs. 10 each at a Premium of Rs. 623 per	1,015.73	-	234.62	-	-
	1,015.73	**-**	**234.62**	**-**	**-**
	2,475.85	**1,178.39**	**1,642.34**	**697.17**	**299.85**

(All amounts in Indian Rupees millions, unless otherwise stated)

20	**Borrowings**	**As at 31 December 2021**	**As at 31 December 2020**	**As at 31 March 2021**	**As at 31 March 2020**	**As at 31 March 2019**
	Unsecured – measured at fair value through profit or loss account (FVTPL)					
	Compulsorily Convertible Preference Shares	-	250.00	-	250.00	250.00
	(Refer to the Note No. 1 Below)					
	Secured					
	Rupee Term Loans from Banks					
	HDFC Bank Term Loan	417.99	537.13	507.34	331.83	
	HDFC Bank Term Loan - New	200.00				
	HDFC Bank Term Loan - ECGLS	197.92	-	244.79	-	
	SBI Term Loan	159.90	251.40	228.55	297.25	411.50
	SBI Term Loan New	41.34	59.77	55.17	69.00	92.00
	Rupee Vehicle Loans from Banks					
	HDFC Bank Car Loan	1.31	2.25	2.02	2.90	3.70
	From related parties (Directors & Promoters)	-			-	-
		1,018.46	**1,100.54**	**1,037.87**	**950.98**	**757.20**

(1) 25,000,000 Compulsorily Convertible Preference Shares were issued on 25.01.2016 @ Rs. 10/- per share. At the time of issuance of these Preference Shares, there was a condition attached that these Preference Shares will be converted to Equity Shares anytime, after the completion of 4 years from the date of issue of such Preference Shares. There was fixed dividend of 8% attached at the time of issuance of the Preference Shares but later on the same was waived off by the Preference Shareholders at their own discretion. On 06.02.2021, all the 25,000,000 Preference Shares were converted to Equity Shares in the ratio of 1:16.251 i.e. for every 16.251 Preference Shares, the Shareholders received 1 Equity Share. The company has followed the due compliance with regulatory authorities.

(2) Reconciliation of Preference Shares:

Preference Share Capital	**Amount (Rs.)**
Balance as at 31st March 2021	-
Changes during the period	-
Balance as at 31st December 2021	**-**
Balance as at 31st March 2020	250.00
Changes during the period	-
Balance as at 31st December 2020	**250.00**
Balance as at 31st March 2020	250.00
Changes during the year: Converted to Equity Shares	(250.00)
Balance as at 31st March 2021	**-**
Balance as at 31st March 2019	250.00
Changes during the year	-
Balance as at 31st March 2020	**250.00**

(3) Details of Shareholders of Preference Shares:

Name of the shareholder	**As at 31 December 2021**		**As at 31 December 2020**	
	No of shares	**% holding in the class**	**No of shares**	**% holding in the class**
Preference Shares of Rs.10 each fully paid				
a) Rohan Ashwin Desai	-	-	1,16,00,000	**46.40%**
b) Aman Desai (HUF)	-	-	1,16,00,000	**46.40%**
c) Ashwin Jayantilal Desai	-	-	18,00,000	**7.20%**

Name of the shareholder	**As at 31st March 2021**		**As at 31st March 2020**		**As at 31st March 2019**	
	No of shares	**% holding in the class**	**No of shares**	**% holding in the class**	**No of shares**	**% holding in the class**
Preference Shares of Rs.10 each fully paid						
a) Rohan Ashwin Desai	-	-	1,16,00,000	**46.40%**	1,16,00,000	**46.40%**
b) Aman Desai (HUF)	-	-	1,16,00,000	**46.40%**	1,16,00,000	**46.40%**
c) Ashwin Jayantilal Desai	-	-	18,00,000	**7.20%**	18,00,000	**7.20%**

(4) Terms of Repayment, Nature of Security in case of Secured Loans:

Nature of Security	**Terms of Repayment**	**Principal o/s. as at 31st December 2021**	**Principal o/s. as at 31st December 2020**	**Principal o/s. as at 31st March 2021**	**Principal o/s. as at 31st March 2020**	**Principal o/s. as at 31st March 2019**
1. HDFC Car Loan	From April 05, 2019 up to March 05, 2024 (60 instalments)	2.47	3.11	2.90	3.70	4.36
Hypothecation of Car						
2. SBI Term Loan	28 Quarterly	274.15	319.95	319.95	388.65	480.05
#Secured by way of Hypothecation of movable and immovable assets of the Company as first pari passu charge	Rs. 22.85 million each					
#Personal Guarantees of all Promoters						
#Personal Properties of Promoters as Collateral Security						
# Rate of Interest as on December 31, 2021: 8.50% p. a.						
3. SBI Term Loan New	25 Quarterly	64.34	73.57	73.57	87.40	105.80
#Same as per SBI Term Loan	Rs. 4.60 million each					
# Rate of Interest as on December 30, 2021: 8.50% p. a.						
4. HDFC Bank Term Loan	20 Quarterly	567.78	597.13	597.34	331.83	-
#Same as per SBI Term Loan	Rs. 30.00 million each					
# Rate of Interest as on December 31, 2021: 7.20% p. a.						
5. HDFC Bank Term Loan - ECGLS	48 Quarterly	250.00	-	250.00	-	-
# Rate of Interest as on December 31, 2021: 6.90% p. a.	Rs. 5.21 million each					
6. HDFC Bank Term Loan - New	20 Quarterly Instalments of	200.00	-	-	-	-
#Same as per SBI Term Loan	Rs. 35.00 million each					
# Rate of Interest as on December 31, 2021: 6.25% p. a.						

(All amounts in Indian Rupees millions, unless otherwise stated)

		As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
21	**Lease liabilities**					
	Lease liabilities	52.99	27.57	27.11	15.94	2.67
		52.99	**27.57**	**27.11**	**15.94**	**2.67**
22	**Borrowings**					
	Working capital loan (Refer note 1)					
	Secured	896.82	688.69	712.54	532.71	330.65
	Current maturities of long term debt					
	Secured					
	Term loans from banks	281.88	142.35	205.01	109.80	82.35
	Vehicle loans from banks	0.94	0.86	0.88	0.80	0.67
	Unsecured					
	From related parties (Directors & Promoters)	149.20	125.60	125.70	110.60	90.40
		1,328.84	**957.49**	**1,044.13**	**753.91**	**504.07**

(1) The primary security for working capital loan is outstanding receivables and inventories. The collateral security provided is residential property of directors cum promotors located at 40, Jaldarshan Society, Umra, Surat of along with factory premise at 8203, Road No-8, GIDC, Sachin, Surat - 394 230. There is also charge created against both of these properties at ROC with SBI and HDFC banks.

(2) For details of terms of repayment and security for current maturities, refer note of non-current borrowings.

(3) Break-up of the Working capital loan:

Particulars					
Working Capital Limits with SBI	90.78	143.31	197.82	187.26	180.93
Working Capital Limits with HDFC Bank	811.13	548.89	509.71	326.84	149.72
Total outstanding	**901.91**	**692.20**	**707.53**	**514.10**	**330.65**
Foreign exchange valuation impact on PCFC loans	(5.09)	(3.51)	5.00	14.29	-
Foreign exchange valuation impact on Bill Discountings	-	-	-	4.32	-
Net outstanding	**896.82**	**688.69**	**712.54**	**532.71**	**330.65**

23	**Lease liabilities**					
	Lease liabilities	8.56	4.00	3.56	2.54	0.94
		8.56	**4.00**	**3.56**	**2.54**	**0.94**
24	**Trade payables**					
	Trade payables					
	Total outstanding dues of Micro Enterprises and Small Enterprises (Refer note 39)	131.87	109.19	89.35	49.80	42.46
	Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	727.77	361.73	388.38	333.77	185.61
		859.64	**470.92**	**477.73**	**383.57**	**228.07**

Notes :
(1) Refer note 40 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.

As at 31 December 2021

Particulars		**Outstanding for following periods Particulars from due date of payment**				**Total**
	Unbilled Dues	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	
(i) MSME	-	131.87	-	-	-	**131.87**
(ii) Others	-	727.71	0.06	-	-	**727.77**
(iii) Disputed dues - MSME	-	-	-	-	-	**-**
(iv) Disputed dues - Others	-	-	-	-	-	**-**
	-	**859.58**	**0.06**	**-**	**-**	**859.64**

As at 31 December 2020

Particulars		**Outstanding for following periods Particulars from due date of payment**				**Total**
	Unbilled Dues	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	
(i) MSME	-	109.19	-	-	-	**109.19**
(ii) Others	-	361.69	0.04	-	-	**361.73**
(iii) Disputed dues - MSME	-	-	-	-	-	**-**
(iv) Disputed dues - Others	-	-	-	-	-	**-**
	-	**470.88**	**0.04**	**-**	**-**	**470.92**

As at 31 March 2021

Particulars		**Outstanding for following periods Particulars from due date of payment**				**Total**
	Unbilled Dues	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	
(i) MSME	-	89.35	-	-	-	**89.35**
(ii) Others	-	388.27	0.11	-	-	**388.38**
(iii) Disputed dues - MSME	-	-	-	-	-	**-**
(iv) Disputed dues - Others	-	-	-	-	-	**-**
	-	**477.62**	**0.11**	**-**	**-**	**477.73**

As at 31 March 2020

Particulars		**Outstanding for following periods Particulars from due date of payment**				**Total**
	Unbilled Dues	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	
(i) MSME	-	49.80	-	-	-	**49.80**
(ii) Others	-	333.58	0.19	-	-	**333.77**
(iii) Disputed dues - MSME	-	-	-	-	-	**-**
(iv) Disputed dues - Others	-	-	-	-	-	**-**
	-	**383.38**	**0.19**	**-**	**-**	**383.57**

As at 31 March 2019

Particulars		**Outstanding for following periods Particulars from due date of payment**				**Total**
	Unbilled Dues	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	
(i) MSME	-	42.46	-	-	-	**42.46**
(ii) Others	-	185.40	0.20	-	-	**185.61**
(iii) Disputed dues - MSME	-	-	-	-	-	**-**
(iv) Disputed dues - Others	-	-	-	-	-	**-**
	-	**227.86**	**0.20**	**-**	**-**	**228.07**

(All amounts in Indian Rupees millions, unless otherwise stated)

25 Other financial liabilities

	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Employee related payable					
Salary and other benefits	18.83	13.01	14.84	11.40	7.34
Bonus payable	3.84	0.05	7.60	0.05	-
Other payables	3.90	2.60	0.13	0.05	-
Bills payable	0.00	0.26	12.10	0.28	0.29
Creditor for expenses	18.21	22.70	9.76	3.97	10.55
	44.78	**38.63**	**44.43**	**15.75**	**18.18**

26 Other current liabilities

	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Advance received from customers	34.51	30.10	34.47	11.59	116.19
Statutory dues payables	10.86	4.37	7.04	4.42	3.01
	45.37	**34.46**	**41.51**	**16.01**	**119.20**

27 Provisions

Gratuity (Refer note 45 for further disclosures)	3.96	4.60	-	0.05	-
	3.96	**4.60**	**-**	**0.05**	**-**

(All amounts in Indian Rupees millions, unless otherwise stated)

	For the nine months ended 31 December 2021	For the nine months ended 31 December 2020	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
28 Revenue from operations					
Sale of products					
Manufactured goods					
Local sales	1,621.71	1,484.83	1,985.69	1,493.40	1,010.86
Export sales	1,833.34	1,463.70	1,919.21	1,021.22	716.67
Deemed exports	641.46	145.86	238.37	229.54	82.64
Export sales - CRAMS	174.07	97.39	182.41	85.02	40.41
Sale of services					
Export services	155.35	150.50	176.63	189.57	161.18
Domestic services	-	-	-	-	0.09
Total revenue from operations	**4,425.94**	**3,342.28**	**4,502.31**	**3,018.75**	**2,011.85**
Less : Rebate and discount	(0.51)	(1.38)	(4.15)	(0.69)	(0.05)
	4,425.44	**3,340.90**	**4,498.16**	**3,018.06**	**2,011.80**

Refer note no. 46 for further disclosures.

29 Other income					
Interest					
Interest on fixed deposits	2.15	0.33	1.00	1.71	1.12
Interest accrued on loans to employees	0.89	0.60	0.85	0.72	0.34
Interest on deposits	0.03	0.03	0.03	0.03	0.16
Interest on income tax refund	-	-	-	-	0.20
Interest on other deposits	-	-	-	-	-
Miscellaneous					
Foreign exchange fluctuation	21.51	14.57	18.32	8.84	11.59
Duty drawback - exports	3.58	2.08	2.92	1.73	0.58
MEIS duty credit	21.55	14.57	15.42	6.40	6.38
Income from mutual funds	2.71	-	-	0.15	0.46
Income accrued from mutual funds	0.00	0.01	0.79	0.01	0.01
Profit on sale of assets	-	0.02	0.02	-	-
Interest subsidy (term loan)	15.00	-	-	-	-
Misc. income	0.29	0.29	0.38	0.16	0.13
	67.71	**32.50**	**39.73**	**19.75**	**20.97**

Subsidies from the Government:

Subsidies from the Government are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the subsidies will be received or when actually will be received by the Company. Subsidies from the Government are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the subsidies are intended to compensate.

Subsidies from the Government that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they are received.

30 Cost of materials consumed					
Raw Materials					
Opening	392.82	199.72	199.72	139.85	69.11
Add: Purchase	2,582.40	1,600.46	2,238.03	1,763.64	1,182.33
Add: Custom duty and clearing forwarding charges	59.02	70.98	87.21	48.77	30.72
	3,034.24	1,871.15	2,524.96	1,952.26	1,282.16
Less: Closing	416.73	213.69	392.82	199.72	139.85
	2,617.51	**1,657.46**	**2,132.14**	**1,752.54**	**1,142.31**
Packing Materials					
Opening	10.80	6.59	6.59	3.30	2.81
Add: Purchase	46.94	21.11	32.16	21.86	13.85
	57.74	27.70	38.75	25.16	16.66
Less: Closing	13.24	8.40	10.80	6.59	3.30
	44.50	**19.31**	**27.95**	**18.57**	**13.36**
Stores & Spares					
Opening	48.54	26.47	26.47	17.35	6.44
Add: Purchase	93.25	37.73	65.26	38.60	35.95
	141.79	64.20	91.73	55.95	42.39
Less: Closing	47.73	36.46	48.54	26.47	17.35
	94.06	**27.74**	**43.19**	**29.48**	**25.04**
Other Material					
Opening	123.75	157.52	157.52	77.11	31.80
Add: Purchase	17.36	9.75	12.11	9.72	7.11
	141.11	167.27	169.63	86.83	38.91
Less: Closing	151.17	133.62	123.75	157.52	77.11
	(10.06)	**33.64**	**45.88**	**(70.69)**	**(38.20)**
	2,746.01	**1,738.15**	**2,249.16**	**1,729.90**	**1,142.51**

(All amounts in Indian Rupees millions, unless otherwise stated)

		For the nine months ended 31 December 2021	For the nine months ended 31 December 2020	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
31	**Changes in inventories of finished goods and work-in-progress**					
	Opening inventories					
	Finished goods	115.06	181.28	181.28	35.10	41.41
	Work-in-progress	156.31	147.81	147.81	125.64	72.58
	Total (A)	**271.37**	**329.09**	**329.09**	**160.74**	**113.99**
	Closing Inventories					
	Finished goods	295.76	99.06	115.06	181.28	35.10
	Work-in-progress	572.85	191.83	156.31	147.81	125.64
	Total (B)	**868.61**	**290.88**	**271.37**	**329.09**	**160.74**
	Total (A-B)	**(597.24)**	**38.21**	**57.72**	**(168.35)**	**(46.75)**
32	**Employee benefits expense**					
	Salaries, wages and bonus	172.31	133.59	164.60	102.95	88.34
	Contribution to gratuity	3.81	2.77	3.69	2.39	1.79
	Contribution to provident fund	7.91	6.25	8.62	6.69	4.17
	Staff welfare expenses	18.95	13.18	18.84	6.64	2.17
	Leave encashment expenses	3.80	2.80	2.85	2.44	1.62
	Employee medical insurance expenses	1.76	1.40	1.91	1.84	2.35
	Other employee related expenses	4.32	0.75	20.62	10.81	9.02
		212.85	**160.75**	**221.13**	**133.76**	**109.46**
33	**Finance costs**					
	Interest on term loan	60.08	46.07	67.18	54.45	75.35
	Interest on term loan - ECGLS	12.20	-	1.61	-	-
	Interest on cash credit	4.71	8.42	10.58	1.56	7.37
	Interest on PCFC	8.01	8.01	10.90	11.91	4.59
	Interest on bill discounting	3.13	5.15	6.55	11.76	5.95
	Interest on SLC	0.19	0.11	0.11	0.12	0.72
	Interest on car loan	0.19	0.24	0.32	0.36	-
	Interest on unsecured loans	-	-	1.00	1.40	1.80
	Bank charges	8.36	9.71	12.18	10.33	9.86
	Interest on financial liabilities at amortized cost	3.48	1.98	2.72	1.87	0.36
		100.35	**79.69**	**113.15**	**93.76**	**106.00**
34	**Depreciation and amortisation expense**					
	Depreciation of property, plant and equipment (refer note 3)	105.11	78.38	102.91	72.58	60.32
	Amortisation of right-of-use asset (refer note 5)	7.67	3.88	5.30	4.09	2.05
	Amortisation of intangible assets (refer note 6)	1.41	1.41	1.90	1.81	1.70
		114.19	**83.67**	**110.11**	**78.48**	**64.07**

(All amounts in Indian Rupees millions, unless otherwise stated)

35 Other expenses	For the nine months ended 31 December 2021	For the nine months ended 31 December 2020	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Manufacturing service cost expenses					
Power and fuel	225.56	95.82	138.91	92.24	71.68
Water charges	6.22	2.67	3.80	4.09	5.35
Other manufacturing costs	168.80	281.22	347.71	249.62	89.11
Administrative and general expenses					
Telephone and postage	1.65	2.18	3.05	3.26	1.65
Printing and stationery	0.83	0.56	0.75	0.84	0.78
Rent	3.24	5.37	7.32	4.71	0.75
Rates and taxes	4.06	5.69	8.40	7.66	1.80
Payment to statutory auditors (Refer note below)	0.45	0.34	0.45	0.30	0.24
Directors' sitting fees	1.84	0.25	0.33	0.38	0.20
Managerial remuneration	43.56	23.13	30.52	16.90	7.95
Repairs and maintenance expenses	31.27	25.38	33.67	20.72	17.94
Electricity expenses	163.27	87.76	129.64	87.92	58.03
Travelling expenses	1.83	1.38	2.66	8.37	9.88
Legal and professional expenses	22.05	13.44	17.74	18.75	14.62
Insurance expenses	14.26	13.52	13.21	4.84	2.96
Vehicle running expenses	5.01	4.30	6.16	3.13	2.30
Other administrative and general expenses	12.12	14.49	20.22	19.92	10.20
Selling and distribution expenses	77.17	54.88	64.09	56.57	32.54
Research and development expenses	1.01	0.84	8.24	0.71	0.51
Other expenses	19.67	5.17	11.69	4.26	3.03
	803.87	**638.38**	**848.56**	**605.19**	**331.52**
	5.10%				

(a) Payment to auditors

Statutory audit fee	0.45	0.34	0.45	0.30	0.24
	0.45	**0.34**	**0.45**	**0.30**	**0.24**

(All amounts in Indian Rupees millions, unless otherwise stated)

36 Taxes

(a) Statement of profit or loss

Particulars	For the nine months ended 31 December 2021	For the nine months ended 31 December 2020	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Current tax:					
Current income tax charge	258.12	129.22	201.00	121.92	70.34
Deferred tax	25.94	22.80	25.87	43.59	22.28
Income tax expense reported in the statement of profit or loss	**284.05**	**152.03**	**226.87**	**165.51**	**92.62**

(b) Other comprehensive income (OCI)

Taxes related to items recognised in OCI during in the period

Particulars	For the nine months ended 31 December 2021	For the nine months ended 31 December 2020	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Deferred tax					
Remeasurements gains and losses on post employment benefits	(0.48)	(0.45)	(0.22)	(0.92)	(0.21)
Income tax recognised in OCI	**(0.48)**	**(0.45)**	**(0.22)**	**(0.92)**	**(0.21)**

(c) Balance sheet

Particulars	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Non- current tax assets	-	-	-	-	-
Current tax assets	-	-	-	-	-
Total tax assets	**-**	**-**	**-**	**-**	**-**

Current tax liabilities

Particulars	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Income tax (net of advance tax)	2.73	(0.05)	7.70	6.73	17.21
Total current tax liabilities	**2.73**	**(0.05)**	**7.70**	**6.73**	**17.21**

(All amounts in Indian Rupees millions, unless otherwise stated)

(d) Deferred tax liabilities / (assets)

Particulars	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Excess of depreciation/amortisation on property plant and equipment under income tax act	130.95	100.62	102.58	76.32	33.81
Fair valuation of Mutual funds	0.15	0.00	(0.20)	-	-
Fair valuation of Security deposits	0.01	0.01	(0.01)	(0.01)	-
Amortization of processing fees on loan	(0.14)	(0.13)	(0.18)	1.02	-
Provision for employee benefits	(1.43)	(1.59)	0.45	(0.22)	0.06
Leases	(2.00)	(0.13)	(0.57)	(0.69)	(0.11)
Net deferred tax liability/(asset)	**127.53**	**98.77**	**102.07**	**76.42**	**33.76**

(e) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

	For the nine months ended 31 December 2021	For the nine months ended 31 December 2020	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Accounting profit before tax	**1,113.11**	**634.57**	**938.06**	**565.07**	**325.97**
Tax rate	**25.17%**	**25.17%**	**25.17%**	**29.12%**	**21.55%**
Tax as per IT Act on above	**280.15**	**159.71**	**236.09**	**164.55**	**70.24**
Tax expenses (P&L)					
(i) Current tax	258.12	129.22	201.00	121.92	70.34
(ii) Deferred tax	25.94	22.80	25.87	43.59	22.28
(iii) Taxation in respect of earlier years					
	284.06	**152.02**	**226.87**	**165.51**	**92.62**
Tax expenses (OCI)	**(0.48)**	**(0.45)**	**(0.22)**	**(0.92)**	**(0.21)**
Difference	**(3.43)**	**8.13**	**9.44**	**(0.04)**	**(22.17)**
Tax reconciliation					
Adjustments:					
Effect of permanent adjustments	-	-	(9.13)	-	2.31
Effect of Temporary Adjustments:					
(i) Impact as a result of Tax Rate Change	-	-	-	-	0.21
(ii) Impact as a result of Capital Gains	0.15	-	-	-	-
(iii) Others	3.75	(8.13)	(0.31)	0.04	19.65
	0.47	**-**	**-**	**-**	**-**

(All amounts in Indian Rupees millions, unless otherwise stated)

(f) Movement in temporary differences:

	1 April 2021	Recognised in profit or loss during the period / year	Recognised in OCI during the period/ year	31 December 2021
Deferred tax liabilities (DTL)				
Excess of depreciation/amortisation on property plant and equipment under income tax act	**102.58**	28.36	-	**130.95**
Fair valuation of Mutual funds	**(0.20)**	0.35	-	**0.15**
Fair valuation of Security deposits	**(0.01)**	0.02	-	**0.01**
Amortization of processing fees on loan	**(0.18)**	0.04		**(0.14)**
Provision for employee benefits	**0.45**	(2.35)	(0.48)	**(1.43)**
Leases	**(0.57)**	(1.43)	-	**(2.00)**
Net deferred tax liability/(asset)	**102.07**	**24.98**	**(0.48)**	**127.53**

	1 April 2020	Recognised in profit or loss during the period / year	Recognised in OCI during the period/ year	31 December 2020
Deferred tax liabilities (DTL)				
Excess of depreciation/amortisation on property plant and equipment under income tax act	**76.32**	24.30	-	**100.62**
Fair valuation of Mutual funds	**-**	0.00	-	**0.00**
Fair valuation of Security deposits	**(0.01)**	0.02	-	**0.01**
Amortization of processing fees on loan	**1.02**	(1.15)	-	**(0.13)**
Provision for employee benefits	**(0.22)**	(0.93)	(0.45)	**(1.59)**
Leases	**(0.69)**	0.56	-	**(0.13)**
Net deferred tax liability/(asset)	**76.42**	**22.80**	**(0.45)**	**98.77**

	1 April 2020	Recognised in profit or loss during the period / year	Recognised in OCI during the period/ year	31 March 2021
Deferred tax liabilities (DTL)				
Excess of depreciation/amortisation on property plant and equipment under income tax act	**76.32**	26.26	-	**102.58**
Fair valuation of Mutual funds	**-**	(0.20)	-	**(0.20)**
Fair valuation of Security deposits	**(0.01)**	-	-	**(0.01)**
Amortization of processing fees on loan	**1.02**	(1.20)		**(0.18)**
Provision for employee benefits	**(0.22)**	0.89	(0.22)	**0.45**
Leases	**(0.69)**	0.12		**(0.57)**
Net deferred tax liability/(asset)	**76.42**	**25.87**	**(0.22)**	**102.07**

(All amounts in Indian Rupees millions, unless otherwise stated)

	1 April 2019	Recognised in profit or loss during the period / year	Recognised in OCI during the period/ year	31 March 2020
Deferred tax liabilities (DTL)				
Excess of depreciation/amortisation on property plant and equipment under income tax act	**33.81**	42.51	-	**76.32**
Fair valuation of Mutual funds	**-**	-	-	**-**
Fair valuation of Security deposits	**-**	(0.01)	-	**(0.01)**
Amortization of processing fees on loan	**-**	1.02	-	**1.02**
Provision for employee benefits	**0.06**	0.64	(0.92)	**(0.22)**
Leases	**(0.11)**	(0.58)	-	**(0.69)**
Net deferred tax liability/(asset)	**33.76**	**43.58**	**(0.92)**	**76.42**

	1 April 2018	Recognised in profit or loss during the period / year	Recognised in OCI during the period/ year	31 March 2019
Deferred tax liabilities (DTL)				
Excess of depreciation/amortisation on property plant and equipment under income tax act	**11.68**	22.13	-	**33.81**
Fair valuation of Mutual funds	**-**	-	-	**-**
Fair valuation of Security deposits	**-**	-	-	**-**
Amortization of processing fees on loan	**-**	-	-	**-**
Provision for employee benefits	**-**	0.27	(0.21)	**0.06**
Leases	**-**	(0.11)	-	**(0.11)**
Net deferred tax liability/(asset)	**11.68**	**22.29**	**(0.21)**	**33.76**

(All amounts in Indian Rupees millions, unless otherwise stated)

37 Earnings Per Share

Particulars	For the nine months ended 31 December 2021	For the nine months ended 31 December 2020	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Profits attributable to equity shareholders					
Profit for basic earning per share of Rs. 10 each					
Profit for the period / year (in Rs.)	**829.06**	**482.54**	**711.19**	**399.56**	**233.35**
Basic Earnings Per Share					
Weighted average number of equity shares outstanding during the period / year	11,12,38,348	9,41,62,200	9,66,65,734	9,41,62,200	9,41,62,200
Basic EPS (Rs.)	**7.45**	**5.12**	**7.36**	**4.24**	**2.48**
Diluted Earnings Per Share					
Profit for diluted earning per share of Rs. 10 each					
Profit for the period / year (in Rs.)	**829.06**	**482.54**	**711.19**	**399.56**	**233.35**
Weighted average number of equity shares outstanding during the period / year	11,12,38,348	9,41,62,200	9,66,65,734	9,41,62,200	9,41,62,200
Diluted EPS (Rs.)	**7.45**	**5.12**	**7.36**	**4.24**	**2.48**

Weighted average number of equity shares for Basic Earnings Per Share	For the nine months ended 31 December 2021	For the nine months ended 31 December 2020	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Balance at the beginning and at the end of the period*	11,10,84,237	9,41,62,200	9,41,62,200	9,41,62,200	9,41,62,200
Issued during the period	1,54,111	-	25,03,534	-	-
Weighted average number of equity shares outstanding during the period / year	**11,12,38,348**	**9,41,62,200**	**9,66,65,734**	**9,41,62,200**	**9,41,62,200**

Weighted average number of equity shares for Diluted Earnings Per Share	For the nine months ended 31 December 2021	For the nine months ended 31 December 2020	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Balance at the beginning and at the end of the period*	11,10,84,237	9,41,62,200	9,41,62,200	9,41,62,200	9,41,62,200
Issued during the period	1,54,111	-	25,03,534	-	-
Weighted average number of equity shares outstanding during the period / year	**11,12,38,348**	**9,41,62,200**	**9,66,65,734**	**9,41,62,200**	**9,41,62,200**

*Note: The equity shares and basic/diluted earnings per share has been presented to reflect the adjustments for issue of bonus shares subsequent to 30 September 2021 in accordance with Ind AS 33 for December 2020, March 2021, March 2020 and March 2019 - Earnings per Share. Refer Note: 51

38 Contingent liabilities, contingent assets and commitments :

Contingent liabilities

Particulars	Currency	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Bank Guarantees Issued for:						
Customs	INR	8.89	18.59	8.89	18.20	8.30
Gujarat Gas Ltd.	INR	15.35	4.59	6.43	4.59	5.55
DGVCL	INR	23.70	17.40	21.25	10.53	5.42
Total Margin for above items	**INR**	**11.45**	**12.64**	**10.37**	**11.45**	**3.63**
Raw Material LC	INR	-	-	-	15.64	-
Raw Material FLC	US$	3.03	0.57	0.82	1.42	0.62
Total Margin for above items	**INR**	**17.20**	**7.38**	**10.12**	**23.83**	**8.40**
Income Tax Demand:						
AY 2017-18 (PY: 2016-17)	INR	0.22	0.22	0.22	0.22	0.22
AY 2018-19 (PY: 2017-18)	INR	0.93	0.93	0.93	0.93	-
AY 2020-21 (PY: 2019-20)	INR	19.82	-	-	-	-

All the Contingent Liabilities 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, which require 15% Margin Money on Bank Guarantees and 15% Margin Money on LC Facilities.
The Income Tax Demands are under appeal by the Company and the outcome of the same is not known and hence the demand amount has been considered as contingent liability.

39 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Principal amount remaining unpaid to any supplier as at the end of the period/year					
Trade payables	131.87	109.19	89.35	49.80	42.46
Capital creditors	-	-	-	-	-
Interest due thereon remaining unpaid to any supplier as at the end of the period/year					
Trade payables	-	-	-	-	-
Capital creditors	-	-	-	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act 2006	-	-	-	-	-
The amount of payment made to micro and small supplier beyond the appointed day during each accounting year.	-	-	-	-	-
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.	-	-	-	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-	-	-	-
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.	-	-	-	-	-

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.

(All amounts in Indian Rupees millions, unless otherwise stated)

40 Related Party Disclosures

(a) List of Related Parties and description of relationship:

Entities where directors are interested :
Ashwin Jayantilal Desai (Managing Director)

Aether Foundation
Globe Enviro Care Limited

Purnima Ashwin Desai (Director)

Aether Foundation

Rohan Ashwin Desai (Director)
Aether Foundation

Kamalvijay Ramchandra Tulsiyan (Director)
J R Dyeing and Printing Mills Ltd.
Gujarat Enviro-Protection and Infrastructure Pvt. Ltd.
Navbharat Silk Mills Pvt. Ltd.
Pandesara Infrastructure Ltd
Surat Mega Textiles Processing Park Association

Jeevanlal Nagori (Director)
Tonira Pharma Ltd.
Avik Pharmaceuticals Ltd.
Ajanma Holdings Pvt Ltd.
IPCA Traditional Remedies Pvt. Ltd.
Transrail Lighting Ltd.

Ishita Surendra Manjrekar (Director)
Sunanda Speciality Coatings Pvt. Ltd.
Sunworks Chemicals Pvt. Ltd.
Sunanda Global Outreach Foundation
Sunanda Smile Foundation

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

Relative of Key Management Personnel

Name	Designation
Payal Rohan Desai	Spouse of Rohan Ashwin Desai
Kamalvijay Ramchandra HUF	HUF of Director - Kamalvijay Ramchandra Tulsian
Pramilaben Kamalvijay Tulsian	Spouse of Kamalvijay Tulsian

(b) Related party transactions:

Sr. no	Nature of Transaction	For the nine months ended 31 December 2021			For the nine months ended 31 December 2020		
		Promoters and their relatives	Companies Controlled by Directors / Relatives	Total	Promoters and their relatives	Companies Controlled by Directors / Relatives	Total
1	Rent Paid	7.20	-	**7.20**	6.35	-	**6.35**
2	Interest Paid	-	-	**-**	-	-	**-**
3	Loan accepted	49.79	-	**49.79**	15.00	-	**15.00**
4	Managerial Remuneration	43.56	-	**43.56**	23.13	-	**23.13**
5	Purchase of Consumables	-	0.08	**0.08**	-	0.27	**0.27**
6	Purchase of Material for Building & Structure	-	7.62	**7.62**	-	1.85	**1.85**
7	ETP Expenses	-	41.40	**41.40**	-	19.57	**19.57**
8	CSR Activities	-	6.87	**6.87**	-	3.33	**3.33**
9	Salary	4.88	-	**4.88**	3.15	-	**3.15**
		105.42	**55.96**	**161.38**	**47.63**	**25.01**	**72.64**

(All amounts in Indian Rupees millions, unless otherwise stated)

Sr. no	Nature of Transaction	For the year ended 31 March 2021			For the year ended 31 March 2020		
		Promoters and their relatives	Companies Controlled by Directors / Relatives	Total	Promoters and their relatives	Companies Controlled by Directors / Relatives	Total
1	Rent Paid	8.75	-	**8.75**	4.20	-	**4.20**
2	Interest Paid	1.00	-	**1.00**	1.40	-	**1.40**
3	Loan accepted	15.00	-	**15.00**	20.20	-	**20.20**
4	Managerial Remuneration	29.58	-	**29.58**	16.90	-	**16.90**
5	Purchase of Consumables	-	0.32	**0.32**	-	0.57	**0.57**
6	Purchase of Material for Building & Structure	-	4.56	**4.56**	-	4.30	**4.30**
7	ETP Expenses	-	32.37	**32.37**	-	21.65	**21.65**
8	CSR Activities	-	4.61	**4.61**	-	1.21	**1.21**
9	Salary	4.55	-	**4.55**	-	-	**-**
		58.88	**41.86**	**100.74**	**42.70**	**27.73**	**70.43**

Sr. no	Nature of Transaction	For the year ended 31 March 2019		Total
		Promoters and their relatives	Companies Controlled by Directors / Relatives	
1	Rent paid	1.24	-	**1.24**
2	Interest paid	1.80	-	**1.80**
3	Loan accepted	14.56	-	**14.56**
4	Managerial remuneration	7.95	-	**7.95**
5	Purchase of consumables	-	2.43	**2.43**
6	Purchase of material for building and structure	-	-	-
7	ETP expenses	-	7.31	**7.31**
8	CSR activities	-	0.93	**0.93**
				-
		25.55	**10.67**	**36.22**

(c) Balances outstanding at the end of the period / year:-

Particulars	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Rent payable	1.27	1.92	0.29	-	-
Interest payable	-	-	0.10	-	1.80
Managerial remuneration payable	2.36	1.41	3.22	1.30	0.86
Unsecured loans received	149.20	125.60	125.70	110.60	90.40
Salary Payable	0.31	0.25	0.25	-	-

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.

(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:

Particulars	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Rent Paid					
Purnima Desai	-	1.35	1.35	0.90	0.48
Payal Desai	1.35	1.35	1.80	0.90	0.76
Ashwin Desai	1.35	0.45	0.90	-	-
Rohan Desai	0.90	0.20	0.50	-	-
Kamalvijay Ramchandra HUF	1.80	1.80	2.40	2.40	-
Pramilaben Kamalvijay Tulsian	1.80	1.20	1.80	-	-
Total	**7.20**	**6.35**	**8.75**	**4.20**	**1.24**
Managerial Remuneration					
Ashwin Desai	9.68	5.34	6.83	3.90	2.30
Purnima Desai	9.68	5.34	6.83	3.90	0.90
Rohan Desai	9.68	6.23	7.96	4.55	2.30
Aman Desai	14.52	6.23	7.96	4.55	2.45
Total	**43.56**	**23.13**	**29.58**	**16.90**	**7.95**
Transactions with Companies Controlled by Directors / Relatives					
Sunanda Speciality Coatings Pvt. Ltd. (Consumables)	0.08	0.27	0.32	0.57	2.43
Sunanda Speciality Coatings Pvt. Ltd. (Material for Building & Structure)	7.62	1.85	4.56	4.30	-
Globe Enviro Care Limited (ETP Expenses)	41.40	19.57	32.37	21.65	7.31
Aether Foundation (CSR Expenses)	6.87	3.33	4.61	1.21	0.93
Total	**55.96**	**25.01**	**41.86**	**27.73**	**10.67**
Loans Accepted					
Ashwin Jayantilal Desai	14.50	1.98	1.98	0.70	2.20
Purnima Ashwin Desai	-	1.60	1.60	1.00	0.89
Rohan Ashwin Desai	3.90	5.84	5.84	15.30	9.12
Aman Ashwin Desai	3.50	4.49	4.49	1.20	0.30
Aman Desai (HUF)	1.60	-	-	-	2.05
Payal Rohan Desai	26.29	1.10	1.10	2.00	-
Total	**49.79**	**15.00**	**15.01**	**20.20**	**14.56**
Salary Paid					
Payal Rohan Desai	4.88	3.15	4.55	-	-
Total	**4.88**	**3.15**	**4.55**	**-**	**-**

(All amounts in Indian Rupees millions, unless otherwise stated)

41 Section 35(2AB) of Income Tax Act, 1961 Disclosure

Particulars	For the nine months ended 31 December 2021	For the year ended 31 March 2021
Salary, Wages & Bonus		
Salary Expense	34.82	16.98
Overtime Wages	2.30	0.34
Employer's Contribution to PF	1.28	1.04
Employee Medical Insurance Expenses		
Employer's Contribution to ESI	0.36	0.15
Leave Encashment Expenses		
Leave Encashment Expenses	0.71	0.46
Other Employee Related Expenses		
Bonus	2.30	1.95
Managerial Remuneration		
Salaries to Directors	9.00	5.25
Bonus to Directors	0.68	0.44
Consumption of Material		
R&D Material	13.03	10.37
Power & Fuel		
Diesel Expenses	12.50	19.49
Repairs & Maintenance		
Plant & Machinery	1.38	1.68
Buildings	0.61	0.31
Others	0.13	0.07
Electricity Expenses		
Electricity Expenses	19.27	21.47
Vehicle Running Expenses		
Petrol & Other Expenses	0.45	0.28
Vehicle Repairing Expenses	0.10	0.20
Vehicle Hiring Charges	2.25	1.40
Rent, Rates & Taxes		
Rent	3.60	4.20
Other Administrative & General Expenses		
Security Expenses	1.65	1.58
Total Revenue Expenditure (A)	**106.43**	**87.66**
Capital Expenditure		
Buildings	31.59	3.05
Computers	1.60	0.49
Factory Equipment (Electric)	7.19	4.91
Furniture & Fixtures	0.08	0.02
Other Equipment (Lab)	3.97	2.57
Office Equipment	0.64	0.19
Plant & Machinery	88.46	67.19
Computer Software	0.22	0.40
CWIP	2.29	0.56
Total Capital Expenditure (B)	**136.04**	**79.38**
Total Expenditure (A) + (B)	**242.47**	**167.04**

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.
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.

(All amounts in Indian Rupees millions, unless otherwise stated)

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.

The Company has exposure to the following risks arising from financial instruments:
- credit risk - see note (a) below
- liquidity risk - see note (b) below
- market risk - see note (c) below

(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	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Total current assets (A)	4,174.75	1,930.16	2,335.28	1,477.89	961.09
Total current liabilities (B)	2,293.86	1,510.07	1,619.06	1,178.56	887.67
Working capital (A-B)	**1,880.89**	**420.09**	**716.22**	**299.33**	**73.42**
Current Ratio:	**1.82**	**1.28**	**1.44**	**1.25**	**1.08**

(All amounts in Indian Rupees millions, unless otherwise stated)

Following is the Company's exposure to financial liabilities based on the contractual maturity as at reporting date.

	As at 31 December 2021			
		Contractual cash flows		
	Carrying value	Less than 1 year	More than 1 year	Total
Borrowings	2,347.30	1,328.84	1,018.46	2,347.30
Trade payables	859.64	859.58	0.06	859.64
Lease liabilities	61.55	8.56	52.99	61.55
Other liabilities	44.78	44.78	-	44.78

	As at 31 December 2020			
		Contractual cash flows		
	Carrying value	Less than 1 year	More than 1 year	Total
Borrowings	2,058.03	957.49	1,100.54	2,058.03
Trade payables	470.92	470.88	0.04	470.92
Lease liabilities	31.58	4.00	27.57	31.58
Other liabilities	38.63	38.63	-	38.63

	As at 31 March 2021			
		Contractual cash flows		
	Carrying value	Less than 1 year	More than 1 year	Total
Borrowings	2,082.00	1,044.13	1,037.87	2,082.00
Trade payables	477.73	477.62	0.11	477.73
Lease liabilities	30.67	3.56	27.11	30.67
Other liabilities	44.43	44.43	-	44.43

	As at 31 March 2020			
		Contractual cash flows		
	Carrying value	Less than 1 year	More than 1 year	Total
Borrowings	1,704.89	753.91	950.98	1,704.89
Trade payables	383.57	383.38	0.19	383.57
Lease liabilities	18.48	2.54	15.94	18.48
Other liabilities	15.75	15.75	-	15.75

	As at 31 March 2019			
		Contractual cash flows		
	Carrying value	Less than 1 year	More than 1 year	Total
Borrowings	1,261.27	504.07	757.20	1,261.27
Trade payables	228.07	227.86	0.20	228.07
Lease liabilities	3.61	0.94	2.67	3.61
Other liabilities	18.18	18.18	-	18.18

(All amounts in Indian Rupees millions, unless otherwise stated)

(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 (INR) 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

Financial assets	As at 31 December 2021		As at 31 December 2020	
	Foreign currency	Equivalent amount in rupees	Foreign currency	Equivalent amount in rupees
USD				
Trade receivables	9.19	682.96	6.94	507.18
Balance with banks - in EEFC	0.08	5.94	0.19	13.72
	9.27	**688.90**	**7.13**	**520.90**

Note: Amounts seen as (0.00) are below the disclosure threshold of the company.

Financial assets	As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	Foreign currency	Equivalent amount in rupees	Foreign currency	Equivalent amount in rupees	Foreign currency	Equivalent amount in rupees
USD						
Trade receivables	6.51	475.26	4.13	292.08	0.40	27.64
Balance with banks - in EEFC accounts	0.47	33.96	-	0.17	0.02	1.10
	6.98	**509.22**	**4.13**	**292.25**	**0.42**	**28.74**

Note: Amounts seen as (0.00) are below the disclosure threshold of the company.

(ii) Financial liabilities

Financial liabilities	As at 31 December 2021		As at 31 December 2020	
	Foreign currency	Equivalent amount in rupees	Foreign currency	Equivalent amount in rupees
USD				
Trade payable	1.82	135.04	0.34	24.90
	1.82	**135.04**	**0.34**	**24.90**

Financial liabilities	As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	Foreign currency	Equivalent amount in rupees	Foreign currency	Equivalent amount in rupees	Foreign currency	Equivalent amount in rupees
USD						
Trade payable	0.98	72.14	0.98	70.39	0.88	60.59
	0.98	**72.14**	**0.98**	**70.39**	**0.88**	**60.59**

(All amounts in Indian Rupees millions, unless otherwise stated)

(iii) Currency wise net exposure (Financial assets - Financial liabilities)

Currency wise net exposure (assets - liabilities)	As at 31 December 2021		As at 31 December 2020	
Particulars	Foreign currency	Equivalent amount in rupees	Foreign currency	Equivalent amount in rupees
USD	7.46	553.86	6.79	495.99
Total	**7.46**	**553.86**	**6.79**	**495.99**

Currency wise net exposure (assets - liabilities)	As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
Particulars	Foreign currency	Equivalent amount in rupees	Foreign currency	Equivalent amount in rupees	Foreign currency	Equivalent amount in rupees
USD	6.00	437.08	3.15	221.86	(0.46)	(31.85)
Total	**6.00**	**437.08**	**3.15**	**221.86**	**(0.46)**	**(31.85)**

(iv) Sensitivity analysis

	Impact on profit/equity (1% strengthening)				
	31 December 2021	31 December 2020	31 March 2021	31 March 2020	31 March 2019
USD	5.54	4.96	4.37	2.22	(0.32)
Total	**5.54**	**4.96**	**4.37**	**2.22**	**(0.32)**

	Impact on profit/equity (1% weakening)				
	31 December 2021	31 December 2020	31 March 2021	31 March 2020	31 March 2019
USD	(5.54)	(4.96)	(4.37)	(2.22)	0.32
Total	**(5.54)**	**(4.96)**	**(4.37)**	**(2.22)**	**0.32**

(All amounts in Indian Rupees millions, unless otherwise stated)

(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	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Variable rate borrowings	2,195.85	1,679.33	1,953.40	1,340.59	916.50
Fixed rate borrowings	151.45	378.70	128.60	364.30	344.77
Total borrowings	**2,347.30**	**2,058.03**	**2,082.00**	**1,704.89**	**1,261.27**

Sensitivity analysis

Particulars	Impact on profit before tax / pre- tax equity				
	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Increase by 50 basis points	(10.98)	(8.40)	(9.77)	(6.70)	(4.58)
Decrease by 50 basis points	10.98	8.40	9.77	6.70	4.58

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	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Total liabilities	3,492.85	2,736.96	2,786.11	2,221.90	1,681.30
Less: cash and cash equivalents and bank balances	484.78	34.31	55.63	36.00	13.01
Net debt	3,008.07	2,702.65	2,730.48	2,185.90	1,668.29
Total equity	3,602.76	1,263.99	1,743.33	782.77	385.45
Debt-equity ratio	0.83	2.14	1.57	2.79	4.33

(All amounts in Indian Rupees millions, unless otherwise stated)

44 Fair value measurements

(a) Categories of financial instruments -

Particulars	As at 31 December 2021				
	Carrying amount	Fair values			
		FVTPL	FVTPL	FVTOCI	Amortised cost
Category		**Level 1**	**Level 3**	**Level 3**	**Level 2**
Financial assets					
Trade receivables	1,691.78	-	-	-	1,691.78
Cash and cash equivalents	55.64	-	-	-	55.64
Other bank balances	429.15	-	-	-	429.15
Investment in mutual funds - Quoted	191.31	191.31	-	-	-
Investments in equity shares- Unquoted	2.09	-	-	2.09	-
Loans	9.82	-	-	-	9.82
Other financial assets	20.49	-	-	-	20.49
Total financial assets	**2,400.28**	**191.31**	**-**	**2.09**	**2,206.87**
Financial liabilities					
Borrowings	2,347.30	-	-	-	2,347.30
Trade payables	859.64	-	-	-	859.64
Other financial liabilities	106.33	-	-	-	106.33
Total financial liabilities	**3,313.27**	**-**	**-**	**-**	**3,313.27**

Particulars	As at 31 December 2020				
	Carrying amount	Fair values			
		FVTPL	FVTPL	FVTOCI	Amortised cost
Category		**Level 1**	**Level 3**	**Level 3**	**Level 2**
Financial assets					
Trade receivables	1,073.51	-	-	-	1,073.51
Cash and cash equivalents	14.30	-	-	-	14.30
Other bank balances	20.01	-	-	-	20.01
Investment in mutual funds - Quoted	0.13	0.13	-	-	-
Investments in equity shares- Unquoted	2.09	-	-	2.09	-
Loans	7.95	-	-	-	7.95
Other financial assets	21.32	-	-	-	21.32
Total financial assets	**1,139.31**	**0.13**	**-**	**2.09**	**1,137.09**
Financial liabilities					
Borrowings	2,058.03	-	250.00	-	1,808.03
Trade payables	470.92	-	-	-	470.92
Other financial liabilities	70.21	-	-	-	70.21
Total financial liabilities	**2,599.16**	**-**	**250.00**	**-**	**2,349.16**

Particulars	As at 31 March 2021				
	Carrying amount	Fair values			
		FVTPL	FVTPL	FVTOCI	Amortised cost
Category		**Level 1**	**Level 3**	**Level 3**	**Level 2**
Financial assets					
Trade receivables	1,082.40	-	-	-	1,082.40
Cash and cash equivalents	35.14	-	-	-	35.14
Other bank balances	20.49	-	-	-	20.49
Investment in mutual funds - Quoted	220.90	220.90	-	-	-
Investments in equity shares- Unquoted	2.09	-	-	2.09	-
Loans	7.92	-	-	-	7.92
Other financial assets	21.05	-	-	-	21.05
Total financial assets	**1,389.99**	**220.90**	**-**	**2.09**	**1,167.00**
Financial liabilities					
Borrowings	2,082.00	-	-	-	2,082.00
Trade payables	477.73	-	-	-	477.73
Other financial liabilities	75.10	-	-	-	75.10
Total financial liabilities	**2,634.83**	**-**	**-**	**-**	**2,634.83**

Particulars	As at 31 March 2020				
	Carrying amount	Fair values			
		FVTPL	FVTPL	FVTOCI	Amortised cost
Category		**Level 1**	**Level 3**	**Level 3**	**Level 2**
Financial assets					
Trade receivables	629.70	-	-	-	629.70
Cash and cash equivalents	0.73	-	-	-	0.73
Other bank balances	35.27	-	-	-	35.27
Investment in mutual funds - Quoted	0.13	0.13	-	-	-
Investments in equity shares- Unquoted	2.09	-	-	2.09	-
Loans	7.04	-	-	-	7.04
Other financial assets	20.84	-	-	-	20.84
Total financial assets	**695.81**	**0.13**	**-**	**2.09**	**693.58**
Financial liabilities					
Borrowings	1,704.89	-	250.00	-	1,454.89
Trade payables	383.57	-	-	-	383.57
Other financial liabilities	34.23	-	-	-	34.23
Total financial liabilities	**2,122.69**	**-**	**250.00**	**-**	**1,872.69**

Particulars	As at 31 March 2019				
	Carrying amount	Fair values			
		FVTPL	FVTPL	FVTOCI	Amortised cost
Category		**Level 1**	**Level 3**	**Level 3**	**Level 2**
Financial assets					
Trade receivables	481.94	-	-	-	481.94
Cash and cash equivalents	0.98	-	-	-	0.98
Other bank balances	12.03	-	-	-	12.03
Investment in mutual funds - Quoted	0.12	0.12	-	-	-
Investments in equity shares- Unquoted	2.09	-	-	2.09	-
Loans	5.12	-	-	-	5.12
Other financial assets	21.85	-	-	-	21.85
Total financial assets	**524.13**	**0.12**	**-**	**2.09**	**521.92**
Financial liabilities					
Borrowings	1,261.27	-	250.00	-	1,011.27
Trade payables	228.07	-	-	-	228.07
Other financial liabilities	21.79	-	-	-	21.79
Total financial liabilities	**1,511.13**	**-**	**250.00**	**-**	**1,261.13**

(b) Fair value hierarchy:

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.

(All amounts in Indian Rupees millions, unless otherwise stated)

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	For the nine months ended 31 December 2021	For the nine months ended 31 December 2020	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Provident fund					
Employer's Contribution	7.57	6.01	8.27	6.43	3.95
Administration charges	0.33	0.25	0.34	0.27	0.22
Employer's Contribution to ESI (Employee State Insurance)	1.76	1.40	1.91	1.84	2.35
Total	**9.66**	**7.66**	**10.52**	**8.53**	**6.52**

(ii) 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 (OCI).
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	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Present Value of Benefit Obligation at the Beginning of the Period	17.41	11.73	11.73	6.71	3.88
Interest cost	0.89	0.60	0.80	0.52	0.30
Current service cost	3.90	2.77	3.69	2.44	1.82
Benefits paid	(0.35)	(0.21)	(0.48)	(0.13)	-
Actuarial (Gains)/Losses on Obligations	-	-	-	-	-
- Due to Change in Demographic Assumptions	0.01	-	-	-	-
- Due to Change in Financial Assumptions	(0.66)	1.12	0.05	1.44	0.01
- Due to Experience	2.39	0.56	1.62	0.75	0.70
Present value of obligation at the end of the period / year	**23.59**	**16.57**	**17.41**	**11.73**	**6.71**

Changes in the fair value of plan assets are as follows:

Particulars	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Fair value of plan assets at the beginning of the period / year	19.18	11.69	11.69	7.41	4.30
Interest income	0.98	0.60	0.80	0.58	0.33
Contributions	-	0.81	6.36	4.81	3.02
Mortality charges and taxes	-	-	-	-	-
Benefits paid	(0.36)	(0.21)	(0.48)	(0.13)	-
Return on plan assets, excluding amount recognized in Interest Income - Gain / (Loss)	(0.17)	(0.10)	0.81	(0.98)	(0.24)
Fair value of Plan assets at end of the period / year	**19.64**	**12.78**	**19.18**	**11.69**	**7.41**

(All amounts in Indian Rupees millions, unless otherwise stated)

Net interest cost for current period

Particulars	For the nine months ended 31 December 2021	For the nine months ended 31 December 2020	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Present Value of Benefit Obligation at the Beginning of the Period	17.41	11.73	11.73	6.71	3.88
Fair Value of Plan Assets at the Beginning of the Period	(19.18)	(11.69)	(11.69)	(7.41)	(4.30)
Net Liability/(Asset) at the Beginning	(1.77)	0.04	0.04	(0.70)	(0.42)
Interest Cost	0.89	0.60	0.80	0.52	0.30
Interest Income	(0.98)	(0.60)	(0.80)	(0.58)	(0.33)
Net Interest Cost for Current Period	**(0.09)**	**0.00**	**-**	**(0.06)**	**(0.03)**

Net employee benefit expense on account of gratuity recognised in employee benefit expenses

Particulars	For the nine months ended 31 December 2021	For the nine months ended 31 December 2020	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Current service cost	3.90	2.77	3.69	2.44	1.82
Net interest (Income)/ Expense	(0.09)	0.00	-	(0.06)	(0.03)
Net benefit expense	**3.81**	**2.77**	**3.69**	**2.38**	**1.79**

Amount recognised in the statement of other comprehensive income

Particulars	For the nine months ended 31 December 2021	For the nine months ended 31 December 2020	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Re-measurement for the year - obligation (gain) / loss	1.73	1.67	1.67	2.19	0.71
Re-measurement for the year - plan assets (gain) / loss	0.17	0.10	(0.81)	0.98	0.24
Total re-measurements cost / (credit) for the period / year recognised in other comprehensive income	**1.90**	**1.78**	**0.86**	**3.17**	**0.95**

Net Defined Benefit Liability/(Asset) for the period / year

Particulars	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Defined Benefit Obligation	23.59	16.57	17.41	11.73	6.71
Fair value of plan assets	19.64	12.78	19.18	11.69	7.41
Closing net defined benefit liability/(asset)	**3.95**	**3.79**	**(1.77)**	**0.04**	**(0.70)**

Particulars	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Current	3.95	3.79	(1.77)	0.04	(0.70)
Non-Current	-	-	-	-	-

The principal assumptions used in determining gratuity obligations for the Company's plan are shown below:

Assumptions

Particulars	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
	%	%	%	%	%
Mortality table	**Indian Assured Lives Mortality (2006-08) Ultimate**	**Indian Assured Lives Mortality (2006-08) Ultimate**	**Indian Assured Lives Mortality (2006-08) Ultimate**	**Indian Assured Lives Mortality (2006-08) Ultimate**	**Indian Assured Lives Mortality (2006-08) Ultimate**
Discount rate	6.82%	6.84%	6.82%	6.84%	7.77%
Rate of increase in compensation levels	8.00%	8.00%	8.00%	8.00%	8.00%
Expected rate of return on plan assets	6.82%	6.84%	6.82%	6.82%	7.77%
Withdrawal rate #					
Age up to 30 years	5.00%	5.00%	5.00%	5.00%	5.00%
Age 31 - 40 years	5.00%	5.00%	5.00%	5.00%	5.00%
Age 41 - 50 years	5.00%	5.00%	5.00%	5.00%	5.00%
Age above 50 years	5.00%	5.00%	5.00%	5.00%	5.00%

A quantitative sensitivity analysis for significant assumption as at 31 December 2021 & 31 December 2020 is as shown below:

Assumptions	Defined benefit obligation			
	As at 31 December 2021		As at 31 December 2020	
	Increase by 100 basis points	Decrease by 100 basis points	Increase by 100 basis points	Decrease by 100 basis points
Delta effect of 1% change in rate of discounting	(2.94)	3.62	(2.21)	2.74
Delta effect of 1% change in rate of salary increase	3.48	(2.94)	2.66	(2.19)
Delta effect of 1% change in rate of employee turnover	(0.46)	0.52	(0.51)	0.59

(All amounts in Indian Rupees millions, unless otherwise stated)

A quantitative sensitivity analysis for significant assumption as at 31 March 2021 & 31 March 2020 is as shown below:

Assumptions	Defined benefit obligation			
	As at 31 March 2021		As at 31 March 2020	
	Increase by 100 basis points	Decrease by 100 basis points	Increase by 100 basis points	Decrease by 100 basis points
Delta effect of 1% change in rate of discounting	(2.24)	2.77	(1.53)	1.90
Delta effect of 1% change in rate of salary increase	2.68	(2.23)	1.86	(1.53)
Delta effect of 1% change in rate of employee turnover	(0.41)	0.47	(0.30)	0.34

A quantitative sensitivity analysis for significant assumption as at 31 March 2019 is as shown below:

Assumptions	Defined benefit obligation	
	As at 31 March 2019	
	Increase by 100 basis points	Decrease by 100 basis points
Delta effect of 1% change in rate of discounting	(0.85)	1.05
Delta effect of 1% change in rate of salary increase	1.04	(0.86)
Delta effect of 1% change in rate of employee turnover	(0.12)	0.13

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	31 December 2021	31 December 2020	31 March 2021	31 March 2020	31 March 2019
1st Following Year	0.84	0.35	0.44	0.25	0.13
2nd Following Year	0.90	0.57	0.64	0.36	0.19
3rd Following Year	1.06	0.66	0.73	0.50	0.27
4th Following Year	1.12	0.76	0.84	0.58	0.36
5th Following Year	1.23	0.78	0.88	0.62	0.41
Sum of Years 6 To 10	6.68	4.33	4.89	3.26	2.17
Sum of Years 11 and above	68.60	45.30	50.53	35.16	24.20

(All amounts in Indian Rupees millions, unless otherwise stated)

Note 46: Revenue from contracts with customers

(a) Reconciliation of revenue recognised with the contracted price is as follows:

Particulars	For the nine months ended 31 December 2021	For the nine months ended 31 December 2020	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Gross Sales (Contracted Price)	4,425.94	3,342.28	4,502.31	3,018.75	2,011.85
Reductions towards variable consideration (Discount & Delayed Delivery Charges)	(0.51)	(1.38)	(4.15)	(0.69)	(0.05)
Revenue recognised	**4,425.44**	**3,340.90**	**4,498.16**	**3,018.06**	**2,011.80**

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) External revenue by Product Line

Particulars	For the nine months ended 31 December 2021	For the nine months ended 31 December 2020	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
4'-Methyl-2-Cyanobiphenyl (OTBN)	203.11	516.77	620.76	804.43	41.74
4-(2-Methoxyethyl) Phenol (4MEP)	1,389.60	612.32	944.35	603.75	436.84
Thiophene-2-Ethanol (T2E)	525.45	485.20	682.15	346.12	337.43
1-Deoxy-1-(Octylamino)-D-Glucitol (NODG)	165.33	180.48	289.86	259.41	196.40
3-Methoxy-2-Methyllenzoyl Chloride (MMBC)	472.61	584.06	694.76	188.32	-
1-[2-(2-Hydroxyethoxy)Ethyl]Piperazine (HEEP)	151.36	150.68	182.43	103.71	
2-Methoxy-6-Chlorotoluene (MCT)	125.52	126.52	176.80	34.65	-
BFA	368.77	-	-	-	-
Other Products	694.26	436.98	548.01	403.08	718.36
Revenue from products (Recognised at point in time) (A)	**4,096.01**	**3,093.01**	**4,139.12**	**2,743.47**	**1,730.77**
Service name					
CRAMS	329.43	247.89	359.04	274.59	201.68
Revenue from services (Recognised over the period) (B)	**329.43**	**247.89**	**359.04**	**274.59**	**201.68**
Grand Total (A) + (B)	**4,425.44**	**3,340.90**	**4,498.16**	**3,018.06**	**1,932.45**

(c) Revenue by Business Classification

Product Name	For the nine months ended 31 December 2021	For the nine months ended 31 December 2020	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Large Scale Manufacturing	3,088.97	2,372.94	3,249.18	2,489.04	1,472.80
Contract Manufacturing	966.90	710.58	871.57	222.98	323.64
Contract Research And Manufacturing Services (CRAMS)	329.19	247.89	359.04	274.59	201.68
Others	40.38	9.49	18.37	31.45	13.68
Total revenue	**4,425.44**	**3,340.90**	**4,498.16**	**3,018.06**	**2,011.80**

(d) Revenue by Geographies / Regions:

Country / Region	For the nine months ended 31 December 2021	For the nine months ended 31 December 2020	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
India (including Deemed Exports)	2,262.67	1,630.69	2,219.91	1,722.25	1,093.45
India (SEZ)	270.64	307.69	380.84	375.41	159.05
Spain	474.59	260.21	389.57	181.91	95.80
Italy	417.69	537.63	725.30	151.11	-
USA	155.47	174.44	211.68	131.69	77.64
Germany	249.34	158.15	237.27	96.14	139.56
Belgium	65.17	20.39	43.84	77.76	23.65
China	64.91	15.63	28.73	72.48	4.24
Mexico	107.78	30.03	47.80	68.59	35.02
Switzerland	80.01	61.79	8.70	34.59	3.09
Israel	22.35	15.88	23.08	22.56	344.20
Taiwan	34.62	58.09	64.92	0.15	-
Netherlands	101.43	23.86	46.25	10.67	1.32
Japan	54.95	23.06	37.79	18.51	27.63
Romania	20.50	11.96	16.13	21.50	4.28
Others - Europe	43.35	11.40	16.35	32.70	0.78
Others - ROW	-	-	-	0.04	2.09
Total revenue	**4,425.44**	**3,340.90**	**4,498.16**	**3,018.06**	**2,011.80**

(All amounts in Indian Rupees millions, unless otherwise stated)

47 : Explanation of transition to Ind AS

These restated Ind AS financial statements, for the period ended 31 December 2021 are the first financial statements prepared in accordance with Ind AS. For years up to and including the year ended March 31, 2021, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013, read with paragraph 7 of the Companies (Accounts) Rules, 2014 ("IGAAP" or "Previous GAAP")

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for period ending on 31 December 2021 together with comparative period data as at and for the years ending on 31 March 2021, 31 December 2020, 31 March 2020 and 31 March 2019 as described in the Basis of Preparation and Summary of Significant Accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2018 being the Company's date of transition to Ind AS.

The restated financial statements for the years/ period ended 31 December 2020, 31 March 2021, 31 March 2020 and 31 March 2019 were prepared in accordance with Ind AS complying with the requirements of SEBI Circular dated March 31, 2016 and Guidance Note on Reports in Company Prospectuses issued by ICAI. For all the years the company has adopted the same accounting policy and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on the transition date, i.e. 1 April 2018.

This note explains exemptions availed by the Company in restating its previous GAAP financial statements, including the balance sheet as at 1 April 2018 and the financial statements as at and for the period/ years ended 31 December 2020, 31 March 2021, 31 March 2020 and 31 March 2019

A. Exemptions availed
Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has elected to apply the following exemptions:

1. Deemed cost : Property, plant and equipment and intangible assets

The Company has elected to continue with the carrying value for all of its property, plant and equipment and intangible assets as recognised in its Indian GAAP financials as deemed cost at the transition date.

2. Designation of previously recognised financial instruments

Financial assets and financial liabilities are classified at fair value based on facts and circumstances as at the date of transition to Ind AS. Financial assets and liabilities are recognised at fair value as at the date of transition to Ind AS i.e. 1 April 2018 and not from the date of initial recognition.

3. Leases

Ind AS 116 requires an entity to assess whether a contract or arrangement contains a lease. According to Ind AS 116, this assessment should be carried out at the inception of the contract or arrangement. However the Company has used Ind AS 101 exemption and assessed all arrangements based on conditions in place as the date of transition.

B. Exceptions applied

1. Estimates

The estimates at 1 April 2018 being the transition date and at 31 December 2021 are consistent with those made for the same dates in accordance with Indian GAAP. The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions as at 1 April 2018 , the date of transition to Ind AS and as of 31 December 2021.

2. Derecognition of financial assets and liabilities

Ind AS 101, requires first-time adopter to apply the derecognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements of Ind AS 109, retrospectively from a date of the company's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities de-recognised as a result of past transaction was obtained at the time of initial accounting of transactions.
The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from date of transition to Ind AS.

3. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets, on the basis of the facts and circumstances that exist at the transition date to Ind AS.

C. Explanation of transition to Ind AS

An explanation of how the transition from Indian GAAP to Ind AS has affected the Company's financial position, financial performance and cash flow is set out in the following tables and notes that accompany the tables. The reconciliations include-
i) Reconciliation of equity as at 1 April 2018, 31 March 2019, 31 March 2020,31 March 2021 and 31 December 2020
ii) Reconciliation of total comprehensive income for the year / period ended 31 March 2019, 31 March 2020, 31 March 2021 and 31 December 2020;
There are no material adjustments to the cash flow statements.

D. Statement of reconciliation of total equity and profit and loss as per previous GAAP and Ind AS

Reconciliation of total equity as at December 31, 2020; March 31, 2021; March 31, 2020; March 31, 2019 and April 1, 2018:

Particulars	Note	December 31, 2020	March 31, 2021	March 31, 2020	March 31, 2019	1 April 2018
Equity as per Indian GAAP		**1,267.02**	**1,744.71**	**1,034.49**	**638.37**	**405.32**
Adjustments to retained earnings						
Leases	C	(6.62)	(7.14)	(5.10)	(3.69)	**(3)**
Fair valuation of security deposit	b	-	(0.00)	(0.01)	(0.00)	-
Investment in mutual funds	c	0.03	0.82	0.04	0.02	0.01
Reclassification of preference shares into	d	-	-	(250.00)	(250.00)	(250.00)
Provision of gratuity	e	(0.05)	1.75	(0.05)	0.69	0.42
Transaction cost on borrowings	f	2.87	2.67	3.50	-	-
Deferred tax impact	g	0.73	0.52	(0.10)	0.06	-
Total of Ind AS adjustment to retained earnings		**(3.04)**	**(1.38)**	**(251.72)**	**(252.92)**	**(252.47)**
Equity as per Ind AS		**1,263.98**	**1,743.33**	**782.77**	**385.45**	**152.85**

(All amounts in Indian Rupees millions, unless otherwise stated)

Reconciliation of total comprehensive income for the period / year ended 31 December 2020, 31 March 2021, 31 March 2020 and 31 March 2019:

Particulars	Note	December 31, 2020	March 31, 2021	March 31, 2020	March 31, 2019
Net profit as per Indian GAAP		**486.06**	**710.22**	**396.12**	**233.05**
Adjustments to net profit					
Leases	c	(1.52)	(2.04)	(1.42)	(0.79)
Fair valuation of security deposit	b	0.00	0.00	(0.00)	(0.00)
Investment in mutual funds	a	0.01	0.79	0.01	0.01
Provision of gratuity	d,e	(2.02)	2.66	2.44	1.23
Transaction cost on borrowings	g	(0.61)	(0.83)	3.49	-
Deferred tax impact	h	0.62	0.39	(1.08)	(0.15)
Total of Ind AS adjustments to net profit		**(3.52)**	**0.98**	**3.44**	**0.30**
Net Profit as per Ind AS		**482.54**	**711.20**	**399.56**	**233.35**
Adjustments to other comprehensive income					
Actuarial gains and losses (net of tax)	d	(1.78)	(0.86)	(3.16)	(0.96)
Deferred tax impact on investments	h	0.45	0.22	0.92	0.21
Total of Ind AS adjustments to other comprehensive income		**(1.33)**	**(0.64)**	**(2.24)**	**(0.75)**
Total comprehensive income as per Ind AS		**481.21**	**710.55**	**397.32**	**232.60**

Notes to the reconciliations:

a) Investment in mutual funds

Under Indian GAAP, long-term investments are valued at cost less provision for other than temporary diminution in the value of such investments. Under Ind AS, investment in mutual funds are classified as 'Fair value through profit and loss' are measured at fair value at each reporting date. The subsequent changes in the fair value of such investments are recognised in statement of profit and loss.

b) Interest-free security deposits (Assets)

Under Indian GAAP, security deposits are recorded at transaction value. Under Ind AS, security deposits given to lessors for leased premises have been fair valued and the difference between the fair value and the transaction value have been presented as a part of right-of-use assets. Right-of-use assets has been depreciated in the statement of profit and loss over the lease term. Interest income on security deposit is recorded using effective interest rate method.

c) Leases

Under Indian GAAP, leases are required to be classify leases as finance lease and operating lease. Operating lease expenses are recognised on a straight-line basis over the lease term. Under Ind AS, a single lessee accounting model is prescribed and requires a lessee to recognize assets and liabilities for all leases with a lease term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payment. Right-of-use asset is depreciated in the statement of profit and loss over the lease term. Interest expenditure on lease liabilities is recorded using effective interest rate method.

d) Employee benefit expenses - actuarial gains and losses and return on plan assets

Under Indian GAAP, actuarial gains and losses and return on plan assets on post-employment defined benefit plans are recognised immediately in statement of profit and loss. Under Ind AS, remeasurements which comprise of actuarial gains and losses, return on plan assets and changes in the effect of asset ceiling, if any, with respect to post-employment defined benefit plans are recognised immediately in other comprehensive income (OCI). Further, remeasurements recognised in OCI are never reclassified to statement of profit and loss.

e) Prior period adjustments

Under Indian GAAP, prior period items are included in determination of profit or loss of the period in which the item is discovered and are separately disclosed in the statement of profit and loss. Under Ind AS, material prior period items are corrected retrospectively by restating the comparative amounts for prior period presented in which the error occurred or if the error occurred before the earliest period presented by restating the opening balance sheet. Under Indian GAAP, the company did not take actuarial valuation of gratuity provision and its corresponding impact. However while restatement of financial information, impact of actuarial valuation of gratuity provision has been considered.

f) Liability - Preference shares

Under Indian GAAP, preference shares forms part of share capital. Under Ind AS, these preference shares are classified as borrowings (liability) and are subsequently measured at fair value profit or loss account (FVTPL).

g) Borrowings

Under Indian GAAP, transaction costs incurred in connection with borrowings are recognised upfront and charged to profit or loss for the period. Under Ind AS, transaction costs are included in the initial recognition of financial liability and charged to profit or loss using the effective interest method.

h) Income tax

Under Indian GAAP, deferred taxes are recognised using income statement approach i.e. reflecting the tax effects of timing differences between accounting income and taxable income for the period. Under Ind AS, deferred taxes are recognised using balance sheet approach i.e. reflecting the tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes using the income tax rates enacted or substantively enacted at reporting date. Further under Ind AS, income tax is recognised in the same statement in which underlying item is recorded.

(All amounts in Indian Rupees millions, unless otherwise stated)

48 : Leases

(a) For Right-of-use assets schedule - Please refer note 3.

(b) Lease liabilities

Particulars	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Current	8.56	4.00	3.56	2.54	0.94
Non Current	52.99	27.57	27.11	15.94	2.67
Total	**61.55**	**31.58**	**30.67**	**18.48**	**3.61**

(c) Interest expenses on lease liabilities

Particulars	For the nine months ended 31 December 2021	For the nine months ended 31 December 2020	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest on lease liabilities	3.48	1.98	2.72	1.87	0.36

(d) Expenses on short term leases / low value assets

Particulars	For the nine months ended 31 December 2021	For the nine months ended 31 December 2020	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Short-term lease	3.23	5.14	7.08	3.77	0.75
Low value assets	0.00	0.23	0.24	0.94	-

(e) Amounts recognised in the statement of cash flow

Particulars	For the nine months ended 31 December 2021	For the nine months ended 31 December 2020	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Total cash outflow for leases	5.01	2.37	3.27	2.68	1.26

(f) Maturity analysis – contractual undiscounted cash flows

Particulars	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Less than one year	14.04	6.83	9.80	4.19	1.25
One to five years	60.09	26.54	46.51	14.47	2.97
More than five years	6.40	11.40	10.20	4.80	-
Total undiscounted lease liabilities	**80.53**	**44.78**	**66.51**	**23.46**	**4.22**

(g) Other notes
The weighted average incremental borrowing rate applied to lease liabilities as at 1 April 2018 is 9.50%.
Operating lease payable as per previous GAAP as at transition date is considered for calculation of lease liabilities under Ind AS 116.

(All amounts in Indian Rupees millions, unless otherwise stated)

49 Operating Segment

Particulars	For the nine months ended 31 December 2021	For the nine months ended 31 December 2020	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Sales Value					
India	2,262.67	1,629.31	2,219.91	1,722.25	1,093.45
Rest of the World	2,162.77	1,711.59	2,278.25	1,295.81	918.35
	4,425.44	**3,340.90**	**4,498.16**	**3,018.06**	**2,011.80**
Carrying amount of assets*					
India	1,008.81	566.33	607.14	337.62	454.30
Rest of the world	682.96	507.18	475.26	292.08	27.64
	1,691.78	**1,073.51**	**1,082.40**	**629.70**	**481.94**
*Segment assets represent trade receivables					
Additions to property, plant and equipment, right of use assets and intangible assets					
India	563.53	792.69	985.42	308.74	127.68
	563.53	**792.69**	**985.42**	**308.74**	**127.68**

(b) Information about major customers (External Customers):

The following is the transactions by the company with external customers individually contributing 10% or more of revenue from operations:

(i) For the period ended 31 December 2021, revenue from operations of one customer of the company represented approximately 13.51% of revenue from operations.
(ii) For the period ended 31 December 2020, revenue from operations of one customer of the company represented approximately 21.26% of revenue from operations.
(iii) For the year ended 31 March 2021, revenue from operations of one customer of the company represented approximately 19.38% of revenue from operations.
(iv) For the year ended 31 March 2020, revenue from operations of one customer of the company represented approximately 10.29% of revenue from operations.
(v) For the year ended 31 March 2019, revenue from operations of one customer of the company represented approximately 17.07% of revenue from operations.

50 Corporate social responsibility

As per the provisions of section 135 of Companies Act 2013, the Company was required to spend Rs. 12.20 million (31 December 2020: Rs. 3.43 million; 31 March 2021: Rs. 6.53 million; 31 March 2020: Rs. 2.83 million; 31 March 2019: Rs. 0.67 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 Rs. 11.22 million (31 December 2020: Rs. 3.43 million; 31 March 2021: Rs. 6.53 million; 31 March 2020: Rs. 1.93 millions; 31 March 2019: Rs. 0.93 million) towards Corporate Social Responsibility activities. Below are the details of the amount spent during the year :

Particulars	CSR activities	For the nine months ended 31 December 2021	For the nine months ended 31 December 2020	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Aether Foundation	Promoting health care including preventive health care and promoting education in tribal and rural area, vocational training support, assistance for research program	6.87	3.33	4.36	1.21	0.93
Friends of Tribal Society	Promoting education in rural area	-	-	0.66	0.33	-
Surat City Taekwondo Association	Training to promote Olympic sports (Karate)	-	-	-	0.15	-
Direct fund support	Provision of bed at a hospital as promoting health care including preventive health care	-	-	-	0.08	-
Dang Yuvak Seva samiti	Promoting education in rural area	-	-	-	0.12	-
Disable Welfare Trust of India	Provision of aid / facilities to senior citizens	-	0.10	0.10	-	-
Shree Jaganath Vruddhashram Trust	Provision of aid / facilities to senior citizens	-	-	0.20	-	-
Laado Sansthan	Contribution of various facilities for skill development for females	-	-	0.01	-	-
Sachin Vibhag Kelvani Mandal	Promoting education support	-	-	1.00	-	-
Provision of food to the needy during lock-down (CoVID-19)	Disaster management	-	-	0.20	0.01	-
Sanitisation activity in local area (CoVID-19)	Disaster management	-	-	-	0.03	-
Rogi Kalyan Samiti New Civil Hospital	Disaster management, including relief, rehabilitation and reconstruction activities (CoVID-19)	0.25	-	-	-	-
Nimar Abhyudaya Rural Management & Development Association	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	1.00	-	-	-	-
Shree Mahavir Health and Medical Relief Society	Preventive health-care measure	1.00	-	-	-	-
Kajorimal Basantilal Nagori Trust	Promoting education in rural area	0.50	-	-	-	-
Surat Manav Sewa Sangh	Disaster management, including relief, rehabilitation and reconstruction activities (CoVID-19)	1.00	-	-	-	-
Surat Raktadan Kendra and Research Centre	Preventive health-care measure	0.60	-	-	-	-
	Total	**11.22**	**3.43**	**6.53**	**1.93**	**0.93**

51 Events subsequent to 31 December 2021

(a) The Company has issued new 20,24,921 Equity Shares of Rs. 10 each @ Rs. 642 per share (Rs. 632 per share being the Share Premium) on March __, 2022

For Birju S. Shah & Associates
Chartered Accountants
Firm Registration No: 131554W

Birju S. Shah
Proprietor
Membership No: 107086

Place: Surat
Date: April 28, 2022
ICAI UDIN: 22107086AHYQDG5195

For and on behalf of the Board of Directors of
Aether Industries Limited
CIN: U24100GJ2013PLC073434

Ashwin Desai
Managing Director
DIN: 00038386
Place: Surat
Date: April 28, 2022

Rohan Desai
Whole Time Director
DIN: 00038379
Place: Surat
Date: April 28, 2022

Faiz Nagariya
Chief Financial Officer
PAN: ADBPN8514G
Place: Surat
Date: April 28, 2022

Chitrarth Parghi
Company Secretary
Mem. No.: A54033
Place: Surat
Date: April 28, 2022

(All amounts in Indian Rupees millions, unless otherwise stated)

52 Ratios as per the Schedule III requirements

(a) Current Ratio = Current Assets divided by Current Liabilities

Particulars	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Current Assets	4,174.75	1,930.16	2,335.28	1,477.89	961.09
Current Liabilities	2,293.86	1,510.07	1,619.06	1,178.56	887.67
Current Ratio (Times)	**1.82**	**1.28**	**1.44**	**1.25**	**1.08**
% Change from previous period / year	26.18%	1.93%	15.02%	15.82%	

(b) Debt Equity ratio = Total debt divided by Total equity where total debt refers to sum of current & non current borrowings

Particulars	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Total Debt	2,347.30	2,058.03	2,082.00	1,704.89	1,261.27
Total Equity	3,602.76	1,263.99	1,743.33	782.77	385.45
Debt Equity Ratio (Times)	**0.65**	**1.63**	**1.19**	**2.18**	**3.27**
% Change from previous period / year	-45.45%	-25.24%	-45.17%	-33.44%	

(c) Debt Service Coverage Ratio (DSCR) = Earnings available for debt services divided by Total interest and principal repayments

Particulars	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Profit for the year	829.06	482.54	711.19	399.56	233.35
Add: Non cash operating expenses and finance cost	-	-	-	-	-
Depreciation and amortisation expense	114.19	83.67	110.11	78.48	64.07
Finance costs	100.35	79.69	113.15	93.76	106.00
Earnings available for debt services	**1,043.60**	**645.90**	**934.45**	**571.80**	**403.42**
Interest cost on borrowings	88.51	68.00	97.25	80.16	93.98
Principal repayments (including certain prepayments)	142.35	82.35	110.60	83.02	96.00
Total Interest and principal repayments	**230.86**	**150.35**	**207.85**	**163.18**	**189.98**
Debt Service Coverage Ratio (Times)	**4.52**	**4.30**	**4.50**	**3.50**	**2.12**
% Change from previous period / year	0.55%	22.60%	28.30%	65.02%	

(d) Return on Equity Ratio / Return on Investment Ratio = Net profit after tax divided by Equity

Particulars	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Profit for the year	829.06	482.54	711.19	399.56	233.35
Total Equity	3,602.76	1,263.99	1,743.33	782.77	385.45
Return on Equity Ratio (%)	**23.01%**	**38.18%**	**40.79%**	**51.04%**	**60.54%**
% Change from previous period / year	-43.59%	-25.21%	-20.08%	-15.68%	

(e) Inventory Turnover Ratio = Closing Inventory divided by Cost of Material Consumed plus Changes in Inventory in to 365/366

Particulars	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Cost of materials consumed	2,148.77	1,776.36	2,306.88	1,561.55	1,095.75
Closing Inventory	1,497.48	683.06	847.28	719.39	398.36
Inventory Turnover Ratio (Days)	**191.65**	**105.75**	**134.06**	**168.61**	**132.70**
% Change from previous period / year	42.96%	-37.29%	-20.49%	27.07%	

(f) Trade receivables turnover ratio = Credit Sales divided by Closing Trade Receivabes in to 365/366

Particulars	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Credit Sales	4,425.44	3,340.90	4,498.16	3,018.06	2,011.80
Closing Trade Receivables	1,691.78	1,073.51	1,082.40	629.70	481.94
Trade Receivables Ratio (Days)	**105.13**	**88.36**	**87.83**	**76.36**	**87.44**
% Change from previous period / year	19.69%	15.71%	15.02%	-12.67%	

(g) Trade payables turnover ratio = Closing trade payables divided by Cost of Materials Consumed in to 365/366

Particulars	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Cost of materials consumed	2,148.77	1,776.36	2,306.88	1,561.55	1,095.75
Closing Trade Payables	859.64	470.92	477.73	383.57	228.07
Trade Payables Turnover Ratio (Days)	**110.02**	**72.90**	**75.59**	**89.90**	**75.97**
% Change from previous period / year	45.55%	-18.91%	-15.92%	18.34%	

(h) Net capital Turnover Ratio =Revenue from Operations divided by Net Working capital whereas net working capital= current assets - current liabilities

Particulars	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Revenue from operations	4,425.44	3,340.90	4,498.16	3,018.06	2,011.80
Net Working Capital	1,880.89	420.09	716.22	299.33	73.42
Net Capital Turnover Ratio (Times)	**2.35**	**7.95**	**6.28**	**10.08**	**27.40**
% Change from previous period / year	-62.54%	-21.12%	-37.71%	-63.20%	

(i) Net profit ratio = Net profit after tax divided by Revenue from operations.

Particulars	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Profit for the year	829.06	482.54	711.19	399.56	233.35
Revenue from operations	4,425.44	3,340.90	4,498.16	3,018.06	2,011.80
Ratio (Times)	**0.19**	**0.14**	**0.16**	**0.13**	**0.12**
% Change from previous period / year	18.49%	9.10%	19.43%	14.14%	

(j) Return on Capital employed- pre cash (ROCE)=Earnings before interest and taxes (EBIT) divided by Capital Employed- pre cash

Particulars	As at 31 December 2021	As at 31 December 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Profit/(Loss) before tax (A)	1,113.11	634.57	938.06	565.07	325.97
Finance Costs (B)	100.35	79.69	113.15	93.76	106.00
Other income (C)	67.71	32.50	39.73	19.75	20.97
EBIT (D) = (A)+(B)-(C)	**1,145.75**	**681.75**	**1,011.48**	**639.08**	**411.00**
Capital Employed- Pre Cash (K)=(E)+(F)+(G)-(H)-(I)-(J)	**5,273.97**	**3,287.58**	**3,548.80**	**2,451.53**	**1,633.59**
Total Equity (E)	3,602.76	1,263.99	1,743.33	782.77	385.45
Non-Current Borrowings (F)	1,018.46	1,100.54	1,037.87	950.98	757.20
Current Borrowings (G)	1,328.84	957.49	1,044.13	753.91	504.07
Current Investments (H)	191.31	0.13	220.90	0.13	0.12
Cash and Cash equivalents (I)	55.64	14.30	35.14	0.73	0.98
Bank balances other than cash and cash equivalents (J)	429.15	20.01	20.49	35.27	12.03
Ratio (D)/(K) (%)	**21.72%**	**20.74%**	**28.50%**	**26.07%**	**25.16%**
% Change from previous period / year	-23.78%	-20.45%	9.33%	3.61%	

AETHER INDUSTRIES LIMITED
Annexure VII - Statement of Adjustments to the Restated Standalone Financial Information
(All amounts in Indian Rupees millions, unless otherwise stated)

Summarised below are the restatement adjustments made to the equity of the Audited Standalone Financial Statements of the Company for the periods / years ended 31 December 2021, 31 December 2020, 31 March 2021, 31 March 2020, 31 March 2019 and 1 April 2018 and their consequential impact on the equity of the Company:

Particulars	Notes reference	31 December 2020	31 March 2021	31 March 2020	31 March 2019	1 April 2018
A. Total equity as per Restated Standalone Financial Information - IND AS		**1,263.99**	**1,743.33**	**782.77**	**385.45**	**152.85**
Adjustment:						
Material restatement Adjustment:						
(i) Audit qualifications	1	-	-	-	-	-
(ii) Adjustments due to prior period items / other adjustments	2	-	-	-	-	-
B. Total impact of adjustments (i + ii)		-	-	-	-	-
C. Total Equity as per ICDR restated Standalone Financial Stattements (A +/- B)		**1,263.99**	**1,743.33**	**782.77**	**385.45**	**152.85**

Summarised below are the restatement adjustments made to the net profit of the audited standalone financial statements of the Company for the periods / years ended 31 December 2021, 31 December 2020, 31 March 2021, 31 March 2020 and 31 March 2019 and their impact on the profit of the Company:

Particulars	Notes reference	For the nine months ended 31 December 2020	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
A. Net Profit after tax as per Restated Standalone Financial Information		482.54	711.19	399.56	233.35
Adjustment:					
Material restatement Adjustment:					
(i) Audit qualifications	1	-	-	-	-
(ii) Adjustments due to prior period items / other adjustments	2	-	-	-	-
B. Total impact of adjustments (i + ii)		**-**	**-**	**-**	**-**
C. Net Profit as per ICDR restated Standalone Financial Stattements (A +/- B)		**482.54**	**711.19**	**399.56**	**233.35**

1. Adjustments for audit qualification : None

2. Adjustments due to prior period items / other adjustments: None

3. Material regrouping :
Appropriate regroupings have been made in the Restated standalone balance sheet, Restated standalone Statement of Profit and Loss and Restated Statement of Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cashflows, in order to bring them in line with the accounting policies and classification as per Ind AS financial information of the Company for the period ended 31 December 2021 prepared in accordance with Schedule III of Companies Act, 2013, requirements of Ind AS 1 and other applicable Ind AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations 2018, as amended.

Non-adjusting items
1. Audit Qualifications in Annexure to Auditors' Report, which do not require any corrective adjustments in the Restated Standalone Financial Information: None

OTHER FINANCIAL INFORMATION

Non-GAAP Measures

Certain non-GAAP financial measures relating to our financial performance, such as, 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, working capital, Net Asset Value per Equity Share, Pre-Tax Operating Profit, Net Tangible Assets, Monetary Assets and % of Monetary Assets to Net Tangible Assets,have been included in this Prospectus. We compute and disclose such non-GAAP financial measures relating to our financial performance as we consider such information to be useful measures of our business and financial performance. These non-GAAP financial measures and other information relating to financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

(*in ₹million, except per share data or unless otherwise stated*)

Particulars	As at and for the nine month period ended December 31, 2021	As at and for the nine month period ended December 31, 2020	As at and for the year ended March 31, 2021	As at and for the year ended March 31, 2020	As at and for the year ended March 31, 2019
Restated profit for the year attributable to equity shareholders for calculation of basic EPS (A)	829.06	482.54	711.19	399.56	233.35
Effect of dilutive potential equity shares	0.00	0.00	0.00	0.00	0.00
Restated Profit for the year attributable to equity shareholders for calculation of diluted EPS	829.06	482.54	711.19	399.56	233.35
Weighted average number of equity shares in calculating basic EPS (B) (number in million)	111.24	94.16	96.67	94.16	94.16
Effect of dilutive potential equity shares	0.00	0.00	0.00	0.00	0.00
Weighted average number of equity shares in calculating diluted EPS I (number in million)	111.24	94.16	96.67	94.16	94.16
Basic Earnings (Face Value of ₹10 each) (in ₹) (D = A/B)	7.45	5.12	7.36	4.24	2.48
Diluted Earnings (Face Value of ₹10 each) (in ₹) (E = A/C)	7.45	5.12	7.36	4.24	2.48
Total Equity (A)	3,602.76	1,263.99	1,743.33	782.77	385.45
Restated Profit for the year/ period (B)	829.06	482.54	711.19	399.56	233.35
Return on Net Worth* (C = B/A)	23.01%	38.18%	40.79%	51.04%	60.54%
Total Equity (A)	3,602.76	1,263.99	1,743.33	782.77	385.45
Number of equity shares outstanding at the end of the period / year, after adjustment of bonus issue (B) (number in million)	112.69	94.16	111.08	94.16	94.16
Effect of dilutive potential equity shares	0.00	0.00	0.00	0.00	0.00

Particulars	As at and for the nine month period ended December 31, 2021	As at and for the nine month period ended December 31, 2020	As at and for the year ended March 31, 2021	As at and for the year ended March 31, 2020	As at and for the year ended March 31, 2019
Number of equity shares outstanding at the end of the period / year, after adjustment of bonus issue (C) (number in million)	112.69	94.16	111.08	94.16	94.16
Net Asset Value per Equity Share (basic)* **(D = A/B)** (in ₹)	31.97	13.42	15.69	8.31	4.09
Net Asset Value per Equity Share (diluted)* **(E = A/C)** (in ₹)	31.97	13.42	18.03	8.31	4.09
EBITDA	**1,295.95**	**765.42**	**1,121.59**	**717.56**	**475.07**
EBITDA Margin (%)	**28.47%**	**22.91%**	**24.93%**	**23.78%**	**23.61%**

**Not annualized as on December 31, 2021 and December 31, 2020*

A The ratios have been computed as follows:

a) *Earning Per Share (Basic) = Restated profit for the year attributable to equity shareholders for calculation of basic EPS /Weighted average number of equity shares outstanding during the period/year as adjusted for bonus issue*

b) *Earning Per Share (Diluted) = Restated Profit for the year attributable to equity shareholders for calculation of diluted EPS// Weighted average number of diluted potential equity shares outstanding during the period/year as adjusted for bonus issue*

c) *Return on Net worth (%) = Restated net profit after tax and adjustments, available for equity shareholders/ Restated net worth at the end of the period/year*

d) *Net Asset Value per Share (in ₹) = net worth at the end of the year / Number of equity shares outstanding(without impact of effect of dilutive potential equity shares) during the year after considering the impact of bonus*

e) *EBITDA (earnings before interest, taxes, depreciation, and amortisation) = profit before tax + depreciation & amortisation expenses + finance cost – Other Incomes*

f) *EBITDA Margin = EBITDA / Revenue from operations*

B Accounting and other ratios are derived from the Restated Financial Statements.

C Net worth for calculating ratios = Equity share capital + Other equity (including Securities premium, General reserve and Retained earnings)

D Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor as adjusted for bonus issue. 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

E Earnings per share calculations are in accordance with Indian Accounting Standard 33 (Ind AS 33) – Earnings per share

In accordance with the SEBI ICDR Regulations, the audited Ind AS financial statements as at and for the nine months ended December 31, 2021 prepared in accordance with Ind AS, and our audited special purpose Ind AS financial statements as at and for the nine months period ended December 31, 2020 and years ended March 31, 2021, March 31, 2020 and March 31, 2019 and the respective reports thereon ("**Financial Statements**") are available on the website of our Company at https://aether.co.in/investor-relations/. Our Company is providing a link to this website solely to comply with the requirements specified under the SEBI ICDR Regulations. The Financial Statements do not constitute, (i) a part of this Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Financial Statements should not be considered as part of information that any investor should consider to subscribe for or purchase any securities of our Company, or any entity in which it or its shareholders have significant influence (collectively, the "**Group**") and should not be relied upon or used as a basis for any investment decision. None of the Group or any of its advisors, nor any Book Running Lead Managers or Promoter Selling Shareholder, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Financial Statements, or the opinions expressed therein.

CAPITALIZATION STATEMENT

The following table sets forth our Company's capitalization as at December 31, 2021, on the basis of our Restated Financial Statements, and as adjusted for the Offer. This table should be read in conjunction with the sections entitled "*Risk Factors*", "*Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 25, 219 and 282, respectively.

(*₹ in million*)

Particulars	Pre-Offer as at December 31, 2021	As adjusted for the Offer
Total borrowings		
- Current borrowings	1,046.02	1,046.02
- Non-current borrowings (including current maturity)	1,301.28	1,301.28
Debt (A)	**2,347.30**	**2,347.30**
Total Equity		
- Equity Share capital	1,126.91	1,224.57
- Other equity	2,475.85	8,648.19
Total Equity (B)	**3,602.76**	**9,872.76**
Ratio: Debt / Total equity (A/B)	**0.65**	**0.24**

Notes:

1) *Our Company has allotted 2,024,921 Equity Shares on May 5, 2022 pursuant to a private placement. The impact of such allotment has not been taken into account for the above disclosure of information.*

2) *The data in the "as adjusted for the Offer" column reflects changes in Equity Share capital and Other Equity only on account of the proceeds from the Fresh Issue of ₹ 6,270 million. Further, the Other Equity amount has not been adjusted for share issue expenses on account of the Offer*

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations is based on, and should be read in conjunction with, our Restated Financial Statements (including the schedules, notes and significant accounting policies thereto), included in the section titled "Restated Financial Statements" beginning on page 219 of this Prospectus.

Our Restated Financial Statements have been derived from our audited financial statements and restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note. Our financial statements are prepared in accordance with Ind AS, notified under the Companies (Indian Accounting Standards) Rules, 2015, and read with Section 133 of the Companies Act, 2013 to the extent applicable. Ind AS differs in certain material respects from IFRS and U.S. GAAP and other accounting principles with which prospective investors may be familiar. Accordingly, the degree to which the financial statements prepared in accordance with Ind AS included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS accounting policies. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial information included in this Prospectus, nor do we provide a reconciliation of our financial information to IFRS or U.S. GAAP. Any reliance by persons not familiar with Ind AS accounting policies on the financial disclosures presented in this Prospectus should accordingly be limited.

Unless otherwise indicated or the context requires otherwise, the financial information for the nine-month periods ended December 31, 2021 and December 31, 2020, and for Fiscals 2021, 2020 and 2019 included herein have been derived from our restated balance sheets as of December 31, 2021, December 31, 2020, March 31, 2021, March 31, 2020 and March 31, 2019 and restated statements of profit and loss, cash flows and changes in equity for the nine-month periods ended December 31, 2021 and December 31, 2020, and for the fiscal years ended March 31, 2021, March 31, 2020 and March 31, 2019 of the Company, together with the statement of significant accounting policies, and other explanatory information thereon.

Our fiscal year ends on March 31 of each year, and references to a particular fiscal period are to the 12 months ended March 31 of that year. All references to a year are to that Fiscal Year, unless otherwise noted.

Some of the information contained in this section, including information with respect to our strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section titled "Forward-Looking Statements" beginning on page 17 of this Prospectus for a discussion of the risks and uncertainties related to those statements and also the section titled "Risk Factors" and "Our Business" beginning on pages 25 and 153, respectively, of this Prospectus for a discussion of certain factors that may affect our business, results of operations and financial condition. The actual results of the Company may differ materially from those expressed in or implied by these forward-looking statements.

Unless otherwise stated, references to "the Company", "our Company", "we", "us", and "our" are to Aether Industries Limited.

Overview

We are a speciality chemical manufacturer in India focused on producing advanced intermediates and speciality chemicals involving complex and differentiated chemistry and technology core competencies. Our business was started in 2013 with a vision to create a niche in the global chemical industry with a creative approach towards chemistry, technology and systems that would lead to sustainable growth. In the first phase of our development through Fiscal 2017, we focused on building our team and infrastructure and on our R&D centred around building our core competencies. Our revenue generation operations commenced with our second phase in Fiscal 2018. We are one of the fastest growing specialty chemical companies in India, growing at a CAGR of nearly 49.53% between Fiscal 2019 and Fiscal 2021. (*Source: F&S Report, May 2022*).

We are amongst the few companies globally, focused on the core competencies model of chemistry and technology. According to Frost & Sullivan, chemical companies usually have a single or a couple of chemistry competencies for their entire product portfolio; however, we have eight chemistry competencies to use for our wide array of products, which enables us to cater to niche and advanced intermediate requirements of a wider range of end-products and applications. (*Source: F&S Report, May 2022*). All these competencies have been developed in-house, which is one of the core strengths of our R&D team. (*Source: F&S Report, May 2022*). We have three business models under which we operate: (i) large scale manufacturing of our own intermediates and speciality chemicals, (ii) contract research and manufacturing services ("CRAMS"), and (iii) contract/exclusive manufacturing. In the view of Frost & Sullivan, we are among the few Indian specialty chemical companies to have successfully launched these three separate business models in just 5 years into commercial manufacturing. *(Source: F&S Report, May 2022)*. We have a nuanced criterion for choosing our products based on their chemical complexity, niche applications, limited competition, scalability and commercial potential. Using these criteria, we developed, and continue to develop, advanced intermediates and speciality chemicals products having applications in the pharmaceutical, agrochemicals, material science, coatings, high performance photography, additives and oil & gas segments of the chemicals industries.

As of March 31, 2022, our product portfolio comprised over 25 products. According to Frost & Sullivan, in FY2020, we were the sole manufacturer in India of 4MEP, MMBC, T2E, OTBN, NODG, DVL and Bifenthrin Alcohol, and we were one of the largest manufacturers in the world by volume for 4MEP, T2E, NODG and HEEP. (*Source: F&S Report, May 2022*).

For Fiscal 2021, Fiscal 2020 and Fiscal 2019, our total revenue was ₹4,537.89 million, ₹3,037.81 million and ₹2,032.77 million, respectively, and our profit for the year was ₹711.19 million, ₹399.56 million and ₹233.35 million, respectively. Our EBITDA in Fiscal 2021, Fiscal 2020 and Fiscal 2019 was ₹1,121.59 million, ₹717.56 million and ₹475.07 million, respectively. For the nine months ended December 31, 2021, our total revenue, profit after tax and EBITDA were ₹4,493.15 million, ₹829.06 million and ₹1,259.95 million, respectively.

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. Some of the more important factors are discussed below, as well as in the section titled "*Risk Factors*" beginning on page 25 of this Prospectus.

Raw materials price fluctuations and availability

Our cost of goods sold (which is the aggregate of our cost of materials consumed and changes in inventories of finished goods and work-in-progress) makes up a large portion of our operating expenses. During the nine months ended December 31, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019, our cost of goods sold (cost of materials consumed and changes in inventories of finished goods and work-in-progress) amounted to ₹2,148.77 million, ₹2,306.88 million, ₹1,561.55 million and ₹1,095.75 million, respectively, which represented 48.55%, 51.28%, 51.74% and 54.47% of our revenue from operations for the respective periods. We source raw materials primarily from third-party suppliers, including through imports. 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, amongst others. We usually do not enter into long-term supply contracts with any of our raw material suppliers and typically source raw materials from third-party suppliers under contracts of shorter periods or in the open market. The prices of our key raw materials globally have been volatile and any increases in the prices of these materials have an impact on our costs of production.

The prices of our raw materials are generally based on, or linked to, the international prices of such raw materials and the variations are typically passed on to the customer. As a result, while our revenues may fluctuate as a result of volatility in crude oil prices, our profitability is less significantly affected. In Fiscal 2021, our cost of materials as a percentage of total revenue decreased, primarily due to (i) our improved utilization of raw materials resulting in better yields on finished products and (ii) benefits from economies of scale due to our ability to source raw materials at better per unit pricing given our larger volume of purchases. However, we cannot assure you that the prices of our raw materials would not increase in the future or that our pricing model will enable us to avoid all effects from fluctuations in crude oil prices.

Recently, there have been trade tensions between China and a number of countries, which may result export restrictions to be imposed by China. If exports of any raw materials we source from China are restricted, the prices of such raw materials may increase. While we also source raw materials from other countries, such as Japan, Europe, Malaysia as well as domestically in India, we cannot assure you that any worsening of trade tensions between China and other countries would not adversely affect our cost of materials consumed.

Where certain raw materials may not be available at commercially reasonable prices or at all, we may be unable to manufacture the products in which such raw materials are components at all until such raw materials become available again. Increases in prices of raw materials, or the unavailability thereof, could have a material adverse effect on our business, financial condition and results of operations.

Foreign exchange rate risk

Our financial statements are prepared in Indian Rupees. However, our sales from exports and a portion of our raw materials expenditures are denominated in foreign currencies, mostly the U.S. Dollar. Accordingly, we have currency exposures relating to buying, selling and financing in currencies other than in Indian Rupees, particularly the U.S. Dollar. For the nine months ended December 31, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019, 48.87%, 50.65%, 42.94% and 45.64%, respectively, of our revenue from operations were attributed to exports (excluding Deemed Exports). In the nine months ended December 31, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019, our net foreign currency denominated sales (sales in foreign currency less expenses related to sales in foreign currency, excluding Deemed Exports) amounted to ₹2,162.77 million, ₹2,278.25 million, ₹1,295.81 million and ₹918.26 million, respectively. For the nine months ended December 31, 2021, Fiscals 2021, 2020 and 2019, 30.63%, 47.47%, 45.59% and 39.85%, respectively, of our raw materials were imported. The decrease in raw material imports in the nine months ended December 31, 2021 can be primarily attributed to a decrease in purchases of two imported raw materials (Para Chlorotoluene and 2, Chrlorobenzonitrile) as there was a reduction in production of OTBN (FG) for which such raw materials are used. In addition, we were able to purchase (i) other key raw materials (e.g., 2 Fluoroanilene and 4 Fluoroanilene) in sufficient quantities for expected production needs through Fiscal 2022, so additional procurements in the first half of Fiscal 2022 were not required, and (ii) the raw material, N-Octylamine, through domestic suppliers. Exchange rate fluctuations also affect our ability to service our debt obligations denominated in foreign currencies, such as our Packing Credit Loans in Foreign Currencies. We do not enter into any hedging activities for our foreign currency positions. Accordingly, we are affected by fluctuations in exchange rates among the U.S. Dollar, Indian Rupee and other currencies. In the nine months ended December 31, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019, we recorded gains of ₹21.51 million, ₹18.32 million, ₹8.84 million, and ₹11.59 million, respectively, due to these fluctuations in foreign currency. There can be no assurance that we will continue to record gains from foreign exchange fluctuations or any hedging measures we take will enable us to avoid the effect of any adverse fluctuations in the value of the Indian Rupee against the U.S. Dollar or other foreign currencies.

Capital expenditure

We require substantial capital to maintain our existing facilities, as well as to acquire new sites, to expand our existing facilities and to construct new facilities. In the nine months ended December 31, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019, we incurred capital expenditure of ₹489.86 million, ₹800.62 million, ₹452.22 million and ₹120.28 million, respectively. A significant amount of our capital expenditure was aimed at constructing manufacturing and other facilities, increasing our manufacturing capacities and diversifying our product base.

As of December 31, 2021, we are operating at two sites in India. Our Manufacturing Facility 1 is a 3,500 square meter facility for our R&D activities, our analytical sciences, our Pilot Plant, our CRAMS facility and our hydrogenation facility. Our Manufacturing Facility 2, admeasuring 10,500 square meters, acts as a large-scale manufacturing facility with installed production capacity of 6,096 MTPA and includes a solvent recovery plant with installed capacity of 13,140 MTPA, distributed among three advanced intermediates/specialty chemicals production buildings that host 16 production streams as of December 31, 2021. During Fiscal 2021, we acquired a new site (Site – 3), admeasuring 5,250 square meters, which has a potential production capacity of 3,500 MTPA. We began construction activities for Proposed Greenfield Project on this new site (Site – 3) in August 2021. We also intend to purchase a fourth site (Site – 4) of approximately 8,000 square meters in the near future and begin construction of a Proposed Greenfield Project on this new site (Site – 4) by June 2022. We have also commenced expansion of our R&D centre and our pilot plant, which we expect to complete by the end of Fiscal 2022.

The actual amount and timing of our future capital requirements may differ from estimates as a result of, among other things, unforeseen delays or cost overruns in developing our products, changes in business plans due to prevailing economic conditions, unanticipated expenses and regulatory changes. To the extent our planned expenditure requirements exceed our available resources, we will be required to seek additional debt or equity financing. Additional debt financing could increase our interest costs and require us to comply with additional restrictive covenants in our financing agreements. Additional equity financing could dilute our earnings per Equity Share and your interest in the Company and could adversely impact our Equity Share price.

COVID-19

The outbreak of the COVID-19 pandemic, as well as GoI measures to reduce the spread of COVID-19, have increased our operation costs since the end of Fiscal 2020, although our ability to continue operations has not been materially impacted. Near the end of Fiscal 2020, the GoI initiated a nation-wide lockdown from March 24, 2020, which was initially set for three weeks, but was subsequently extended to May 31, 2020. Although the nationwide lockdown was lifted on June 1, 2020, restrictions on non-essential activities and travel were imposed until August 31, 2020, in multiple states across specific districts that were witnessing increases in COVID-19 cases. The second wave of COVID-19 infections impacted India in April, May and June 2021 and resulted in a significant strain on the health infrastructure in the country resulting in several states announcing lockdown measures. The second wave also resulted in a large part of the population working from home and implementing social distancing measures. In June 2021, the COVID-19 reported cases from the second wave declined and the GoI and state governments started gradually easing some of the strict precautionary measures.

As we produce intermediates and specialty chemicals for the pharmaceutical industry and use continuous reaction technologies in manufacturing activities for various products, our manufacturing and research and development activities were determined by the GoI to be essential, which allowed us to continue our operations during the nationwide lockdown. However, restrictions on manpower movement during the lockdown impacted our manufacturing operations and capacity expansion projects, as well as increased our operation costs. We implemented health and safety measures for our manufacturing site employees, including the provision of lodging, boarding, food and other essential arrangements. Such measures allowed our employees to stay at or near our manufacturing facilities, thereby decreasing health risks associated with travel and commuting. Our manufacturing facilities, therefore, continued to operate normally during the first and second waves of COVID-19 infections. During Fiscal 2021, which covered the first wave of COVID-19 from April 2020 to June 2020, we paid additional wages to our employees (for example, to compensate employees who lived far from our manufacturing sites and were unable to commute) amounting to ₹7.94 million and incurred additional expenses amounting to ₹3.17 million towards food, lodging and other expenses for the workers. During the nine months ended December 31, 2021, which included the second wave of COVID-19, the Company paid additional wages to our employees amounting to ₹5.77 million and incurred additional expenses amounting to ₹1.48 million towards food, lodging and other expenses for these workers.

In addition, we were affected to a certain extent by the worldwide logistics issues during the COVID-19 pandemic. Even though, as a Pharma Intermediate Specialty Chemical Manufacturer and supplier, we were affected to a lesser extent than other industries, there is no assurance that logistics issues will not further worsen as the pandemic continues.

The scope and nature of the impacts from COVID-19, most of which are beyond our control, continue to evolve, and the outcome is uncertain. While our results of operations for Fiscal 2020 and Fiscal 2021 were not significantly impacted by the pandemic, we cannot assure you that the pandemic will not impose any adverse impact on our business operations or financial condition in the future. The ultimate extent of the effects of the COVID-19 pandemic on us, and the end markets we serve, is highly uncertain and will depend on future developments and such effects could exist for an extended period even after the pandemic ends. To the extent the COVID-19 pandemic does adversely affect our business, financial condition or results of operations, it may also have the effect of heightening many of the factors listed in the section "*Risk Factors*" beginning on page 25.

Dependence of demand from pharmaceutical and agrochemical industries

As of December 31, 2021, we had over twenty-four (24) commercial products including twenty (20) pharmaceutical, one (1) coating and three (3) 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 nonsteroidal 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 nine months ended December 31, 2021 and Fiscal 2021, revenues from our pharmaceutical products were ₹2,770.51 million and ₹3,041.90 million, respectively, which represented 62.60% and 67.63%, respectively, of our operating revenue; and revenues from agrochemical products were ₹1,017.61 million and ₹926.50 million, respectively, which represented 22.99% and 20.60%, respectively, of our revenue from operations.. Consequently, our revenues are dependent on the pharmaceutical and agrochemical industries that use our products as an input. The demand for our customers' end products is affected by a number of factors including, but not limited to (a) seasonality of demand for our customers' products, which may cause our manufacturing capacities to be underutilized during specific periods, (b) our customers' failure to successfully market their products or to compete effectively, (c) loss of market share, which may lead our customers to reduce or discontinue the purchase of our products, (d) economic conditions of the markets in which our customers operate, and global macroeconomic conditions. In spite of our diversified product portfolio, our results of operations are dependent of demand from the end-user industries. Decreases in demand from the end-user industries may result in increased inventories which may force us to sell certain products at a discount, resulting in lower profit margin for such products.

Reliance on major customers and relatively few products

Our customer base currently comprises a host of multinational and domestic companies. However, our top 20 customers represent a significant portion of our revenue. Of our revenue from operations in the nine months ended December 31, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019, our largest customer contributed approximately 13.52%, 19.38%, 10.29% and 17.07%, respectively; our top 10 customers contributed to approximately 55.76%, 56.23%, 51.74% and 59.22%, respectively; and our top 20 customers contributed 72.93%, 73.50%, 74.75% and 79.83%, respectively. We expect that we will continue to be reliant on our major customers for the foreseeable future. We have long-term relationships and ongoing active engagements with many of our customers. Accordingly, any decrease in orders from any of these select customers and/or failure to retain such customers on terms that are commercially viable could adversely affect our business, financial condition and results of operations. In addition, any defaults or delays in payments by a major customer or a significant portion of our customers may have an adverse effect on business, financial condition and results of operations.

In addition, we rely on revenue from a small number of products. In the nine months ended December 31, 2021 and Fiscal 2021, our top five specialty chemical products (4MEP, MMBC, T2E, OTBN and NODG) represented 62.30% and 71.85% of our gross revenues from operations, respectively. Accordingly, any decrease in orders for these products, including changes in the markets for their end-products could adversely affect our business, financial condition and results of operations.

We have a number of supply contracts with customers of one-to-five-year duration, mostly with multinational clients and mainly for our CRAMS and contract manufacturing businesses. These supply contracts often require us to outlay capital to scale up our capacity and production. Our supply contracts with customers generally can be terminated by our customers with notice but often have termination penalties. Notwithstanding, the termination of supply contracts could adversely affect our business, financial condition and results of operations.

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. Despite such uniqueness, it is inevitable that we face competition from other manufacturers, especially global manufacturers, for different products that we manufacture. Some foreign companies, including without limitation manufacturers in China, may be able to produce chemicals at competitive costs and, consequently, supply their products at cheaper prices. Such competitors may also have greater financial and technological resources and may also have larger sales and marketing teams. They might be in a better position to identify market trends, adapt to changes in industry, innovate new products, offer competitive prices due to economies of scale and ensure product quality and compliance. While our products are sold towards the substantially higher value range, we are unable to assure you that we shall be able to continue to charge premium pricing. Inability to do so will adversely affect our financial condition and results of operation.

Trade tensions between China and other countries may have recently weakened the positions of Chinese manufacturers, and consequently benefited manufacturers outside of China, including in India. However, we cannot assure you that such benefit will continue in the future.

Costs of power and fuel

Power and fuel are critical for the continued operations of our manufacturing facilities. For the nine months ended December 31, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019, our electricity charges accounted for 3.69%, 2.88%, 2.91% and 2.88% of our revenue from operations for such periods/years, respectively, and our power and fuel costs (comprised of gas expenses, steam charges and diesel expenses) accounted for 5.10%, 3.09%, 3.06% and 3.56% of our revenue from operations for such periods/years, respectively. From Fiscal 2019 to Fiscal 2021, (i) our steam charges had increased from ₹24.69 million in Fiscal 2019 to ₹83.40 million in Fiscal 2021 and (ii) electricity expenses had increased from ₹58.03 million in Fiscal 2019 to ₹129.64 million in Fiscal 2021, primarily due to increases in coal prices and crude oil prices, along with an overall increase in our production activities. Our electricity charges, as a percentage of revenue from operations, and our power and fuel costs, a percentage of revenue from operations, were higher in the nine months ended December 31, 2021, when compared to the last three fiscal years, primarily due to (i) the commissioning of our new mechanical vapor recompression (MVR) plant in May 2021 and our new solvent recovery (SRP) plant in February 2021, (ii) an overall increase in our production activities, including the stabilization of new products (*i.e.*, BFA, TACH, CNQ, HEP, BPCP) that were launched in the nine-month period ended December 31, 2021, and (iii) a general increase in coal, oil and gas prices. Further increases in coal and/or crude oil prices will further increase our power and fuel costs, thereby increasing our expenses and adversely affect our financial condition and results of operations. In addition, while we have backup electricity generators, any prolonged electricity shortage may still adversely affect our business operations and thereby our results of operations.

Significant Accounting Policies

The Restated Financial Statements comprise of the Restated Statement of Assets and Liabilities as at December 31, 2021, December 31, 2020, March 31, 2021, March 31, 2020, and March 31, 2019, the related Restated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Statement of Changes in Equity, and the Restated Statement of Cash Flows for the nine months period ended December 31, 2021 and December 31, 2020 and for the years ended March

31, 2021, March 31, 2020, and March 31, 2019, and the Significant Accounting Policies and Restated Other Financial Information.

These Restated Financial Statements have been prepared as required under the SEBI ICDR Regulations for the purpose of inclusion in this Prospectus, 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").

We have applied the following accounting policies in preparing our financial statements for Fiscal 2021 and for the nine months ended December 31, 2021:

a) ***Basis of Preparation and Presentation:***

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 at 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.

Basis of Preparation:
(i) The Restated Ind AS Statement of Assets and Liabilities of the Company as at December 31, 2021; December 31, 2020; March 31, 2021; March 31, 2020 and March 31, 2019 and the Restated Ind AS Statement of Profit and Loss, Restated Ind AS Statement of Changes in Equity and Restated Ind AS Statement of Cash Flows for the period ended December 31, 2021; December 31, 2020; March 31, 2021; March 31, 2020 and March 31, 2019 (hereinafter collectively referred to as "Restated Ind AS Financial Information") have been prepared specifically for inclusion in the Prospectus to be filed by the Company with the Securities and Exchange Board of India ("SEBI") in connection with proposed Initial Public Offering ("IPO").
(ii) The audited financial statements of the Company as at and for the nine months period ended December 31, 2021 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 December 6, 2021.
(iii) The audited special purpose Ind AS financial statements as at and for the period ended December 31, 2020 and years ended March 31, 2021; March 31, 2020 and March 31, 2019 each prepared in accordance of Ind AS. The management of the Company has adjusted financial information for the period ended December 31, 2020 and years ended March 31, 2021, March 31, 2020 and March 31, 2019 using recognition and measurement principles of Ind AS, on its first time adoption of Ind AS as on the transition date April 1, 2018 and has included such adjusted financial information as comparative financial information in the financial statements for the nine months period ended December 31, 2021 and December 31, 2020. In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, the Company has presented an explanation of how the transition to IND AS has affected the previously reported financial position, financial performance and cash flows (Refer Annexure VII).

The Board of Directors approved the Restated Financial Statements as per the Ind AS, for nine-month period ended on December 31, 2021 by a resolution passed in the Board Meeting held on April 28, 2022, and for years ended March 31, 2021; March 31, 2020 and March 31, 2019, by a resolution passed in the Board Meeting held on December 6, 2021.

Basis of Measurement:

The Financial Statements have been prepared on historical cost basis considering the applicable provisions of Companies Act 2013. Historical cost is generally based at the fair value of the consideration given in exchange for goods and services. 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.

Current and Non-Current Classification of Assets and Liabilities:
The Balance Sheet and the Statement of Profit & Loss, including related notes, are prepared and presented as per the requirements of Schedule III 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.

Functional and Presentation Currency:

These Financial Statements are presented in Indian Rupees, which is the Company's functional currency. All the amounts have been rounded off to the nearest Rupee, unless otherwise stated.

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 Nos. 42 & 43 - 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 is included in the following notes:

The 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 36 – 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 outbreak of COVID-19, as explained in note below, 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.

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.

b) ***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.

c) ***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 derecognised 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.

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 day-to-day servicing of the property, plant and equipment are recognised in the statement of profit and loss as and when it is incurred.

Disposal:

An item of property, plant and equipment is derecognised upon 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 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.

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 revised estimated useful life of all property, plant and equipment, as stipulated by Schedule II to the Companies Act, 2013 and adopted by the management for various block of assets is as under:

Asset Description	Useful Life (in years)
Factory Building	30
Other Building	10
Plant & Machinery	20
Plant & Machinery (Pipelines)	15
Office Equipment	05
Factory Equipment	10
Computer Equipment (Servers & Networks)	06
Computer Equipment (Others)	03
Other Equipment	10
Furniture & Fixtures	10
Vehicle Equipment	08

Impairment 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 loss had been recognised.

d) ***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, 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.

Amortisation:
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.

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.

The revised estimated useful life of all property, plant and equipment, as stipulated by Schedule II to the Companies Act, 2013 and adopted by the management for various block of assets is as under:

Asset Description	**Useful Life (in years)**
Computer Software	06
Trademarks	04
Others	04

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.

e) ***Financial Assets:***

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, our 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.

Our 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.

i. **Subsequent Measurement:** For purposes of subsequent measurement, financial assets are classified into three categories:

a. Financial assets measured at amortized costs;
b. Financial assets at fair value through Other Comprehensive Income ("OCI"); and
c. Financial assets at fair value through profit or loss.

ii. **Financial assets measured at amortized costs:** 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 our statements of profit and loss.

iii. **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. However, our Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the restated statements of profit and loss. On derecognition of the financial asset other than equity instruments designated as FVTOCI, cumulative gain or loss.

iv. **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 our statements of profit and loss.

v. **Derecognition:** Our 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 our Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the financial asset, our Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay.

vi. Impairment of financial assets:

A. We assess impairment based on expected credit loss ("ECL") model on the following:
- Financial assets that are measured at amortized cost; and
- Financial assets measured at FVTOCI.

B. ECL is measured through a loss allowance based on one of the 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); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of financial instruments).

f) Financial Liabilities:

i. Our Company's financial liabilities include trade payable.

ii. **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 our restated statements of profit and loss.

iii. **Subsequent measurement:** For purposes of subsequent measurement financial liabilities are classified in two categories:
a. Financial liabilities measured at amortized cost;
b. Financial liabilities measured at fair value through profit and loss.

iv. **Financial liabilities classified as amortized 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 our restated statements of profit and loss.

v. **Financial liabilities classified as fair value through profit and loss:** 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.

vi. **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 our statements of profit and loss.

g) ***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.

h) ***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.

i) ***Lease:***

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 sustentive 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 be 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 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 being 79 years 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 terms of 12 months of 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.

j) ***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 (as prescribed in the Income Tax Act, 1961) 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 it 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.

k) ***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.

l) ***Provisions and Contingent Liabilities:***

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 our 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.

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.

m) ***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 restated balance sheet for the purpose of presentation.

n) ***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.

o) ***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. Undiscounted value of benefits such as salaries, incentives, allowances and bonus are recognized in the period in which the employee renders the related service.

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 the Financial Year. 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.

p) ***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.

q) ***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.

r) ***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.

s) ***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.

Changes in the accounting policy, if any, in the last three years and their effect on our profits and reserves

There have been no changes in accounting policies of the Company during the nine months ended December 31, 2021 or during Fiscal 2021, Fiscal 2020 or Fiscal 2019.

Non-GAAP Financial Measures

In addition to our results determined in accordance with Ind AS, we believe the following non-GAAP measures are useful to our Company and our investors as a means of assessing and evaluating our performance in comparison to prior periods. We use the following non-GAAP financial information to evaluate our ongoing operations and for internal planning and forecasting purposes: 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 Tangible Assets, Monetary Assets and % of Monetary Assets to Net Tangible Assets. We believe that non-GAAP financial information, when taken collectively with financial measures prepared in accordance with Ind AS, may be helpful to investors because it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance. However, our management does not consider these non-GAAP measures in isolation or as an alternative to financial measures determined in accordance with Ind AS.

Non-GAAP financial information is presented for supplemental informational purposes only, has limitations as an analytical tool and should not be considered in isolation or as a substitute for financial information presented in accordance with Ind AS. Non-GAAP financial information are not recognized under Ind AS and do not have standardized meanings prescribed by IND AS. In addition, non-GAAP financial measures used by us may differ from similarly titled non-GAAP measures used by other companies. The principal limitation of these non-GAAP financial measures is that they exclude significant expenses and income that are required by Ind AS to be recorded in our financial statements, as further detailed below. In addition, they are subject to inherent limitations as they reflect the exercise of judgment by management about which expenses and income are excluded or included in determining these non-GAAP financial measures. A reconciliation is provided below for each non-GAAP financial measure to the most directly comparable financial measure prepared in accordance with Ind AS. Investors are encouraged to review the related Ind AS financial measures and the reconciliation of non-GAAP financial measures to their most directly comparable Ind AS financial measures included below and to not rely on any single financial measure to evaluate our business.

(₹ in millions, except for ratios and percentages)

Particulars	As at, or for the nine months ended December 31,		As at, or for the fiscal year ended, March 31,		
	2021	2020	2021	2020	2019
EBITDA(1)	1,259.95	765.42	1,121.59	717.56	475.07
EBITDA Margin(2)	28.47%	22.91%	24.93%	23.78%	23.61%
PAT Margin(3)	18.45%	14.30%	15.67%	13.15%	11.48%
*ROE(4)	23.01%	38.18%	40.79%	51.04%	60.54%
Capital Employed(5)	5,273.97	3,287.58	3,548.80	2,451.53	1,633.59
*ROCE(6)	21.72%	20.74%	28.50%	26.07%	25.16%
Debt(7)	2,347.30	2,058.03	2,082.00	1,704.89	1,261.27
Net Debt(8)	3,008.07	2,702.65	2,730.48	2,185.90	1,668.29
Debt-Equity Ratio(9)	0.65	1.63	1.19	2.18	3.27
*Net Debt-EBITDA Ratio(10)	2.39	3.53	2.43	3.05	3.51
Net Tangible Assets(11)	3,383.69	1,165.44	1,645.99	695.44	310.38
Monetary Assets(12)	55.64	14.30	35.14	0.73	0.98
% of Monetary Assets to Net Tangible Assets(13)	1.64%	1.23%	2.13%	0.11%	0.32%
Net Worth(14)	3,602.76	1,263.99	1,743.33	782.77	385.45
*Return on Net Worth(15)	23.01%	38.18%	40.79%	51.04%	60.54%
Pre-Tax Operating Profit(16)	1,145.75	681.75	1,011.48	639.08	411.00
Net Asset Value per Equity Share(17)	31.97	13.42	15.69	8.31	4.09

**Not annualized as on December 31, 2021 and December 31, 2020*

Notes:

(1) 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.

(2) EBITDA Margin is calculated as EBITDA divided by revenue from operations.

(3) PAT Margin is calculated as profit for the period/year divided by total income.

(4) ROE is calculated as profit for the period/year divided by total equity.

(5) 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.

(6) ROCE is calculated as earnings before interest and taxes divided by Capital Employed.

(7) Debt is calculated as the sum of current borrowings and non-current borrowings.

(8) Net Debt is calculated as total liabilities less cash & cash equivalents and bank balances.

(9) Debt-Equity Ratio is calculated as Debt divided by total equity.

(10) Net Debt-EBITDA Ratio is calculated as Net Debt divided by EBITDA.

(11) 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.

(12) 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.

(13) Percentage of Monetary Assets to Net Tangible Assets is calculated as Monetary Assets divided by Net Tangible Assets, expressed as a percentage.

(14) 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.

(15) Return on Net Worth is calculated as profit for the period/year divided by Net Worth.

(16) 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.

(17) *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, including a reconciliation of (i) EBITDA and EBITDA Margin to our restated profits/losses before tax and prior period items, and (ii) PAT Margin and ROE to our restated profits/losses, in each of the nine months ended December 31, 2021 and December 31, 2020, and Fiscal 2021, Fiscal 2020 and Fiscal 2019.

(*in ₹ millions, except percentages*)

Particulars	For the nine months ended December 31,		For the fiscal year ended March 31,		
	2021	**2020**	**2021**	**2020**	**2019**
Total income (A)	4,493.15	3,373.41	4,537.89	3,037.81	2,032.77
Revenue from operations (B)	4,425.44	3,340.90	4,498.16	3,018.06	2,011.80
Profit before tax and prior period items (C)	**1,113.11**	**634.57**	**938.06**	**565.07**	**325.97**
Add: Finance costs (D)	100.35	79.69	113.15	93.76	106.00
Add: Depreciation and amortization expenses (E)	114.19	83.67	110.11	78.48	64.07
Less: Other income (F)	67.71	32.50	39.73	19.75	20.97
EBITDA (G=C+D+E-F)	**1,259.95**	**765.42**	**1,121.59**	**717.56**	**475.07**
EBITDA Margin (H=G/B)	**28.47%**	**22.91%**	**24.93%**	**23.78%**	**23.61%**
Profit for the period (I)	**829.06**	**482.54**	**711.19**	**399.56**	**233.35**
Total equity (J)	3,602.76	1,263.99	1,743.33	782.77	385.45

**Not annualized as on December 31, 2021 and December 31, 2020*

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 restated profits/losses before tax and prior period items in each of the nine months ended December 31, 2021 and December 31, 2020, and Fiscal 2021, Fiscal 2020 and Fiscal 2019.

(*in ₹ millions, except percentages*)

Particulars	For the nine months ended December 31,		For the fiscal year ended March 31,		
	2021	**2020**	**2021**	**2020**	**2019**
Profit before tax and prior period items (A)	**1,113.11**	**634.57**	**938.06**	**565.07**	**325.97**
Add: Finance costs (B)	100.35	79.69	113.15	93.76	106.00
Less: Other income (C)	67.71	32.50	39.73	19.75	20.97
EBIT (D=A+B-C)	**1,145.75**	**681.75**	**1,011.48**	**639.08**	**411.00**
Total equity (E)	3,602.76	1,263.99	1,743.33	782.77	385.45
Non-current borrowings (F)	1,018.46	1,100.54	1,037.87	950.98	757.20
Current borrowings (G)	1,328.84	957.49	1,044.13	753.91	504.07
Current investments (H)	191.31	0.13	220.90	0.13	0.12
Cash & cash equivalents (I)	55.64	14.30	35.14	0.73	0.98
Bank balance other than cash & cash equivalents (J)	429.15	20.01	20.49	35.27	12.03
Capital Employed (K=E+F+G-H-I-J)	**5,273.97**	**3,287.58**	**3,548.80**	**2,451.53**	**1,633.59**
***ROCE (L=D/K)**	**21.72%**	**20.74%**	**28.50%**	**26.07%**	**25.16%**

**Not annualized as on December 31, 2021 and December 31, 2020*

Debt, Net Debt, Debt-Equity Ratio and Net Debt-EBITDA Ratio

The following table sets forth our Debt, Net Debt, Debt-Equity Ratio and Net Debt-EBITDA Ratio as at December 31, 2021 and December 31, 2020, March 31, 2021, March 31, 2020 and March 31, 2019.

(*in ₹ millions, except ratios*)

Particulars	As at December 31,		As at March 31,		
	2021	2020	2021	2020	2019
Non-current borrowings (A)	1,018.46	1,100.54	1,037.87	950.98	757.20
Current borrowings (B)	1,328.84	957.49	1,044.13	753.91	504.07
Debt (C=A+B)	**2,347.30**	**2,058.03**	**2,082.00**	**1,704.89**	**1,261.27**
Total equity (D)	3,602.76	1,263.99	1,743.33	782.77	385.45
Debt-Equity Ratio (E=C/D)	**0.65**	**1.63**	**1.19**	**2.18**	**3.27**
Total liabilities (G)	3,492.85	2,736.96	2,786.11	2,221.90	1,681.30
Less: cash and cash equivalents and bank balances (H)	484.78	34.31	55.63	36.00	13.01
Net Debt (I=G-H)	**3,008.07**	**2,702.65**	**2,730.48**	**2,185.90**	**1,668.29**
EBITDA (J)	**1,259.94**	**765.43**	**1,121.59**	**717.56**	**475.07**
***Net Debt-EBITDA Ratio (K=I/J)**	**2.39**	**3.53**	**2.43**	**3.05**	**3.51**

** Not annualized for the periods ended December 31, 2021 and December 31, 2020*

Net Tangible Assets, Monetary Assets, % of Monetary Assets to Net Tangible Assets, Net Worth, Return on Net Worth, Pre-Tax Operating Profit and Net Asset Value per Equity Share

Our Company's Net Tangible Assets, Monetary Assets, % of Monetary Assets to Net Tangible Assets, Net Worth, Return on Net Worth, Pre-Tax Operating Profit and Net Asset Value per Equity Share, including a reconciliation to our Restated Financial Statements as at, and for, the nine months ended December 31, 2021 and December 31, 2020, and the fiscal years ended March 31, 2021, 2020 and 2019 are set forth below:

(*in ₹ millions, except as provided*)

Particulars	As at December 31,		As at March 31,		
	2021	2020	2021	2020	2019
Total assets (A)	7,095.61	4,009.95	4,529.44	3,004.67	2,066.75
Less: Other intangible assets (B)	4.98	5.40	5.61	5.75	6.95
Less: Right of use assets (C)	214.09	93.16	91.74	81.58	68.12
Less: Total liabilities (D)	3,492.85	2,736.96	2,786.11	2,221.90	1,681.30
Net Tangible Assets (F=A-B-C-D)	**3,383.69**	**1,165.44**	**1,645.99**	**695.44**	**310.38**
Cash and cash equivalents and bank balances (G)	484.78	34.31	55.63	36.00	13.01
Less: Bank deposits with remaining maturity of more than 12 months (H)	-	-	-	-	-
Less: Fixed deposits held as margin money (I)	429.15	20.01	20.49	35.27	12.03
Monetary Assets (J=G-H-I)	**55.64**	**14.30**	**35.14**	**0.73**	**0.98**
% of Monetary Assets to Net Tangible Assets (K=(J/F)*100)) (*in %*)	**1.64%**	**1.23%**	**2.13%**	**0.11%**	**0.32%**
Net Worth (L=(1+2+3+4))	**3,602.76**	**1,263.99**	**1,743.33**	**782.77**	**385.45**
Issued subscribed and fully paidup equity share capital (1)	1,126.91	85.60	100.99	85.60	85.60
General reserve (2)	-	-	-	-	-
Securities premium reserve (3)	1,015.73	-	234.62	-	-
Retained earnings (4)	1,460.12	1,178.39	1,407.72	697.17	299.85
Profit for the year/period (M)	**829.06**	**482.54**	**711.19**	**399.56**	**233.35**
***Return on Net Worth (N=M/L)** (*in %*)	**23.01%**	**38.18%**	**40.79%**	**51.04%**	**60.54%**
Profit before tax and prior period items (O)	**1,113.11**	**634.57**	**938.06**	**565.07**	**325.97**
Less: Other income (P)	67.71	32.50	39.73	19.75	20.97
Add: Finance costs (Q)	100.35	79.69	113.15	93.76	106.00
Pre-Tax Operating Profit (R=O-P+Q)	**1,145.75**	**681.75**	**1,011.48**	**639.08**	**411.00**
Number of equity shares outstanding at the end of the period / year, after adjustment of bonus issue (S) (*number in millions*)	112.69	94.16	96.67	94.16	94.16
Effect of dilutive potential equity shares	-	-	-	-	-
Number of equity shares outstanding at the end of the period / year, after adjustment of bonus issue (T) (*number in millions*)	112.69	94.16	96.67	94.16	94.16
Net Asset Value per Equity Share (basic) (U=L/S) (*in ₹*)*	**31.97**	**13.42**	**15.69**	**8.31**	**4.09**
Net Asset Value per Equity Share (diluted) (V=L/T) (*in ₹*)*	**31.97**	**13.42**	**15.69**	**8.31**	**4.09**

**Not annualized as on December 31, 2021 and December 31, 2020*

Overview of Revenue and Expenditure

The following descriptions set forth information with respect to key components of our income statement.

Revenue

Revenue from operations

Revenue from operations comprises income from:

a) Sale of products manufactured 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, (iii) deemed exports (representing sales to Indian companies under an advance authorization license) and (iv) export sales under our CRAMS business model.

b) Sale of services 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, income from foreign exchange fluctuation, MEIS Duty Credit, exports duty drawback, interest accrued on loans to employees, interest on income tax refund, amongst others.

Expenditure

Our expenditure comprises the following:

a) 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, amongst others.

b) Changes in inventories of finished goods and work-in-progress: Expenses accounted for pursuant to an (increase)/decrease in inventories of work-in-progress.

c) Employee benefit expenses: Employee benefit expenses comprises salaries, wages and bonus, contribution to provident and other funds, gratuity, staff welfare expenses, leave encashment expenses, employee medical insurance expenses and other employee related expenses.

d) 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 and other unsecured loans.

e) 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.

f) 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 Restated Financial Statements), effluent disposal, and fees paid to contract works (classified as 'manpower supply expenses' in our Restated 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 organic chemicals. 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.

(₹ in millions)

Sales Value	For the nine-month period ended December 31, 2021	For the nine-month period ended December 31, 2020	For Fiscal 2021	For Fiscal 2020	For Fiscal 2019
India (including deemed exports)	2,262.67	1,629.31	2,219.91	1,722.25	1,093.45
Rest of the World (including exports to SEZ)	2,162.77	1,711.59	2,278.25	1,295.81	918.35
Total	**4,425.44**	**3,340.90**	**4,498.16**	**3,018.06**	**2,011.80**

The following table sets out the total carrying amount of assets as at December 31, 2021, March 31, 2021, March 31, 2020 and March 31, 2019, broken down by location of the assets.

(₹ in millions)

Non-current assets*	As at December 31, 2021	As at December 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
India	1,008.81	566.33	607.14	337.62	454.30
Rest of the World	682.96	507.18	475.26	292.08	27.64
Total	**1,691.78**	**1,073.51**	**1,082.40**	**629.70**	**481.94**

* *segment assets represent trade receivables*

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.

(₹ in millions)

Sr. No.	Particulars	Nine months ended December 31, 2021	Nine months ended December 31, 2020	Fiscal 2021	Fiscal 2020	Fiscal 2019
Business Models						
	Revenue:					
a)	Large-Scale Manufacturing of Specialty Chemicals	3,088.97	2,372.94	3,249.18	2,489.04	1,472.80
b)	Contract Manufacturing	966.90	710.58	871.57	222.98	323.64
c)	CRAMS	329.19	247.89	359.04	274.59	201.68
d)	Others[1]	40.38	9.49	18.37	31.45	13.68
	Total Revenue from Operations	**4,425.44**	**3,340.90**	**4,498.16**	**3,018.06**	**2,011.80**

[1] *"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 period indicated, for our operations for the nine months ended December 31, 2021 and December 31, 2020.

Particulars	For the nine months ended December 31, 2021		For the nine months ended December 31, 2020	
	(₹ in millions)	*% of Total Income*	(₹ in millions)	*% of Total Income*
Income				
Revenue from operations	4,425.44	98.49%	3,340.90	99.04%
Other income	67.71	1.51%	32.50	0.96%
Total income	**4,493.15**	**100.00%**	**3,373.41**	**100.00%**
Expenses				
Cost of materials consumed	2,746.01	61.12%	1,738.15	51.53%
Changes in inventories of finished goods and work-in-progress	(597.24)	(13.29%)	38.21	1.13%
Employee benefits expenses	212.85	4.74%	160.75	4.77%
Finance costs	100.35	2.23%	79.69	2.36%
Depreciation and amortization expenses	114.19	2.54%	83.67	2.48%
Other expenses	803.87	17.89%	638.38	18.92%
Total expenses	**3,380.03**	**75.23%**	**2,738.84**	**81.19%**
Profit before tax and prior period items	**1,113.11**	**24.77%**	**634.57**	**18.81%**
Tax expenses				
Current tax	258.12	5.74%	129.22	3.83%
Deferred tax	25.94	0.58%	22.80	0.68%
Total tax expenses	**284.05**	**6.32%**	**152.03**	**4.51%**
Profit for the period	**829.06**	**18.45%**	**482.54**	**14.30%**

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 2021, Fiscal 2020 and Fiscal 2019.

Particulars	For the year ended March 31,					
	2021		2020		2019	
	(₹ in millions)	*% of Total Income*	(₹ in millions)	*% of Total Income*	(₹ in millions)	*% of Total Income*
Income						
Revenue from operations	4,498.16	99.12	3,018.06	99.35	2,011.80	98.97
Other income	39.73	0.88	19.75	0.65	20.97	1.03
Total income	**4,537.89**	**100.00**	**3,037.81**	**100.00**	**2,032.77**	**100.00**
Expenses						
Cost of materials consumed	2,249.16	49.56	1,729.90	56.95	1,142.51	56.20
Changes in inventories of finished goods and work-in-progress	57.72	1.27	(168.35)	(5.54)	(46.76)	(2.30)
Employee benefits expense	221.13	4.87	133.76	4.40	109.46	5.38
Finance costs	113.15	2.49	93.76	3.09	106.00	5.21
Depreciation and amortization expenses	110.11	2.43	78.48	2.58	64.07	3.15
Other expenses	848.56	18.70	605.19	19.92	331.52	16.31
Total expenses	3,599.83	79.33	2,472.74	81.40	1,706.80	83.96
Profit before tax	**938.06**	**20.67**	**565.07**	**18.60**	**325.97**	**16.04**
Tax Expenses						
Current tax	201.00	4.43	121.92	4.01	70.34	3.46
Deferred tax	25.87	0.57	43.59	1.43	22.28	1.10
Total tax expenses	**226.87**	**5.00**	**165.51**	**5.45**	**92.62**	**4.56**
Profit for the year	**711.19**	**15.67**	**399.56**	**13.15**	**233.35**	**11.48**

Results of operations for the nine months ended December 31, 2021 compared to the nine months ended December 31, 2020

(₹ in millions)

Particulars	For the nine months ended December 31,		Change (%)
	2021	2020	
Income			
Revenue from operations	4,425.44	3,340.90	32.46%
Other income	67.71	32.50	108.33%
Total income	**4,493.15**	**3,373.41**	**33.19%**
Expenses			
Cost of materials consumed	2,746.01	1,738.15	57.98%
Changes in inventories of finished goods and work-in-progress	(597.24)	38.21	(1,663.21%)
Employee benefits expenses	212.85	160.75	32.41%
Finance costs	100.35	79.69	25.93%
Depreciation and amortization expenses	114.19	83.67	36.48%
Other expenses	803.87	638.38	25.92%
Total expenses	**3,380.03**	**2,738.84**	**23.41%**
Profit before tax	**1,113.11**	**634.57**	**75.41%**
Tax expenses:			
Current tax	258.12	129.22	99.74%
Deferred tax	25.94	22.80	13.74%
Total tax expenses	**284.05**	**152.03**	**86.84%**
Profit for the year	**829.06**	**482.54**	**71.81%**

Revenue from operations

Set forth below is a table showing our revenue from operations, sales volume (in MT) and average selling price (in ₹ per KG) for the nine months ended December 31, 2021 and December 31, 2020, broken down by product line:

Product	For the nine months ended December 31, 2021				For the nine months ended December 31, 2020			
	Revenue (*₹ in millions*)	% of revenue from operations	Quantity (*million MT*)	Average selling price* (*₹ per KG*)	Revenue (*₹ in millions*)	% of revenue from operations	Quantity (*million MT*)	Average selling price* (*₹ per KG*)
4MEP	1,389.60	31.40%	0.92	1,517.97	612.32	18.33%	0.40	1,545.69
MMBC	472.61	10.68%	0.17	2,735.01	584.06	17.48%	0.20	2,949.81
T2E	525.45	11.87%	0.29	1,822.49	485.20	14.52%	0.31	1,556.90
OTBN	203.11	4.59%	0.20	1,033.53	516.77	15.47%	0.32	1,637.27
CRAMS	329.43	7.44%	-	-	247.89	7.42%	-	-
Others	1,505.24	34.01%	1.45	1,041.06	894.66	26.78%	1.07	837.86
Total	**4,425.44**	**100.00%**	**3.02**	**1,465.89**	**3,340.90**	**100.00%**	**2.29**	**1,459.41**

** Average selling prices are for the nine-month periods indicated.*

Our revenue from operations increased by 32.46% from ₹3,340.90 million in the nine months ended December 31, 2020 to ₹4,425.44 million in the nine months ended December 31, 2021. This increase can be primarily attributed to a 30.17% increase in revenue generated from sales of products under our Large-Scale Manufacturing of Specialty Chemicals business from ₹2,372.94 million in the nine months ended December 31, 2020 to ₹3,088.97 million in the nine months ended December 31, 2021. In terms of our top products, the increase in revenue generated from sales of products is principally due to (i) a 126.94% increase in revenue from the sales of 4MEP, our top product, from ₹612.32 million in the nine months ended December 31, 2020 to ₹1,389.60 million in the nine months ended December 31, 2021, which was primarily the result of a 131.08% increase in sales volume of such product, and (ii) a 8.29% increase in revenue from the sales of T2E from ₹485.20 million in the nine months ended December 31, 2020 to ₹525.45 million in the nine months ended December 31, 2021, which was the result of a 17.06% increase in average selling price for such product. These increases were partially offset by (y) a 19.08% decrease in revenue from the sales of MMBC from ₹584.06 million in the nine months ended December 31, 2020 to ₹472.61 million in the nine months ended December 31, 2021 resulting from a 7.28% decrease in the average selling price and a 12.73% decrease in the sales volume for such product, and (z) a 60.70% decrease in revenue from the sales of OTBN from ₹516.77 million in the nine months ended December 31, 2020 to ₹203.11 million in the nine months ended December 31, 2021 resulting from a 36.87% decrease in the average selling price and a 37.73% decrease in the sales volume for such product. The decrease in OTBN sales volume and selling price follows a decline in global demand in Fiscal 2022 for OTBN.

Other Income

Our other income increased by 108.33% from ₹32.50 million in the nine months ended December 31, 2020 to ₹67.71 million in the nine months ended December 31, 2021. Such increase was primarily due to (i) an increase in Merchandise Exports from India Scheme (MEIS) duty credit given to us by the Government from ₹14.57 million in the nine months ended December 31, 2020 to ₹21.55 million in the nine months ended December 31, 2021 as a result of our increased exports, (ii) a recognition of ₹15.00 million as an interest subsidy for the Government in the nine months ended December 31, 2021, and (iii) an increase in income from foreign exchange fluctuations from ₹14.57 million in the nine months ended December 31, 2020 to ₹21.51 million in the nine months ended December 31, 2021, which was mainly the result of an appreciation of the Indian Rupee against foreign currencies and foreign exchange management by the Company.

Cost of Materials Consumed

Our cost of materials consumed increased by 57.98% from ₹1,738.15 million in the nine months ended December 31, 2020 to ₹2,746.01 million in the nine months ended December 31, 2021, primarily due to an increase in our Company's requirement for raw materials in order to meet orders for our Company's products.

Change in inventories of finished goods and work-in-progress

Our opening stock of (i) finished goods was ₹115.06 million as at April 1, 2021, while it was ₹181.28 million as at April 1, 2020, and (ii) work-in-progress was ₹156.31 million as at April 1, 2021, while it was ₹147.81 million as at April 1, 2020.

Our closing stock of (i) finished goods was ₹295.76 million as at December 31, 2021, while it was ₹99.06 million as at December 31, 2020, and (ii) work-in-progress was ₹572.85 million as at December 31, 2021, while it was ₹191.83 million as at December 31, 2020.

The changes in inventories of finished goods and work-in-progress to ₹(597.24) million in the nine months ended December 31, 2021 from ₹38.21 million in the nine months ended December 31, 2020 was primarily a result an increase in inventories of finished goods of ₹180.70 million and of work-in-progress of ₹416.54 million in the nine months ended December 31, 2021 in proportion with the growth in our Company's business in the nine-month period ended December 31, 2021, when compared to the decrease in inventories of finished goods of ₹(82.22) million the nine-month period ended December 31, 2020.

Our cost of goods sold (which is the aggregate of our cost of materials consumed and changes in inventories of finished goods and work-in-progress) decreased as a percentage of total income from 52.66% for the nine months ended December 31, 2020 to 47.82% for the nine months ended December 31, 2021. The principal reasons for such decrease include a continuing improvement in the yield of finished products and the commencement of operations of our in-house SRP (Solvent Recovery Plant), which has enabled us to increase recovery of materials.

Employee Benefits Expense

Our employee benefits expense increased by 32.41% from ₹160.75 million in the nine months ended December 31, 2020 to ₹212.85 million in the nine months ended December 31, 2021 due to an increase in the size of our workforce in line with our business expansion, including the commencement of operations of our new solvent recovery (SRP) plant in February 2021, resulting in increased wages, staff welfare expenses (such as general annual increments given to the staff), and bonuses paid to our staff. We had 718 employees (excluding trainees) as of December 31, 2021 as compared to 543 employees (excluding trainees) as of December 31, 2020.

Finance Costs

Our finance costs increased by 25.93% from ₹79.69 million in the nine months ended December 31, 2020 to ₹100.35 million in the nine months ended December 31, 2021, primarily due to an increase in interest expenses on term loans. The difference can be primarily attributed to the capitalization of interest paid on term loans during the nine months ended December 31, 2020 in connection with the new project expansion at Manufacturing Facility – 1. Construction was completed in, and commercial production started from, January 2021; accordingly, from that point all interest expenses paid on term loans was charged as an expense.

Depreciation and Amortization Expense

Our depreciation and amortization expense increased by 36.48% from ₹83.67 million in the nine months ended December 31, 2020 to ₹114.19 million in the nine months ended December 31, 2021, primarily due to an increase in depreciation on plant and machinery installed for Manufacturing Facility – 1 and Manufacturing Facility – 2.

Other expenses

Our other expenses increased by 25.92% from ₹638.38 million in the nine months ended December 31, 2020 to ₹803.87 million in the nine months ended December 31, 2021, generally in line with the increase in our production volume. Specifically, the increase was mainly driven by increases in (i) (a) electricity expenses, and (b) power and fuel expenses, in particular gas expenses and steam charges, in relation to increased production activity, which was in line with our increase in sales volumes, and the commencement of commercial operations of our new plant in January 2021, and (ii) freight and selling expenses in relation to our higher sales volumes, both domestically and internationally, partially offset by decreases in fees paid to third-party workers for solvent recovery services and costs of transporting the solvent to our manufacturing facilities for the nine months ended December 31, 2021, as our own in-house solvent recovery plant began operations in February 2021.

Profit before tax

As a result of the foregoing, we recorded an increase of 75.41% in our profit before tax, which amounted to ₹1,113.11 million in in the nine months ended December 31, 2021, as compared to ₹634.57 million in the nine months ended December 31, 2020.

Tax expenses

Our tax expenses (current and deferred) increased by 86.84% from ₹152.03 million in the nine months ended December 31, 2020 to ₹284.05 million in the nine months ended December 31, 2021. The increase in our tax expenses in the nine months ended December 31, 2021 was primarily due to an increase in the profit before tax, which was attributable to the increase in revenues and also due to increase in deferred tax mainly on account of the difference in WDV of fixed assets as per the Companies Act and the Income Tax Act, 1961.

Profit for the period

As a result of the foregoing, we recorded an increase of 71.81% in our profit for the period from ₹482.54 million in the nine months ended December 31, 2020 to ₹829.06 million in the nine months ended December 31, 2021.

Results of operations for the Fiscal 2021 compared with Fiscal 2020

(₹ in millions)

Particulars	**For the year ended March 31,**		**Change (%)**
	2021	**2020**	
Income			
Revenue from operations	4,498.16	3,018.06	49.04%
Other income	39.73	19.75	101.16%
Total revenue	**4,537.89**	**3,037.81**	**49.38%**
Expenses			
Cost of materials consumed	2,249.16	1,729.90	30.02%
Changes in inventories of finished goods and work-in-progress	57.72	(168.35)	(134.29%)
Employee benefits expenses	221.13	133.76	65.32%
Finance costs	113.15	93.76	20.68%
Depreciation and amortization expenses	110.11	78.48	40.30%
Other expenses	848.56	605.19	40.21%
Total expenses	**3,599.83**	**2,472.74**	**45.58%**
Profit before tax	**938.06**	**565.07**	**66.01%**
Tax expenses:			
Current tax	201.00	121.92	64.86%
Deferred tax	25.87	43.59	(40.65%)
Total tax expenses	**226.87**	**165.51**	**37.07%**
Profit for the year	**711.19**	**399.56**	**77.99%**

Revenue from operations

Set forth below is a table showing our revenue from operations, sales volume (in MT) and average selling price (in ₹ per KG) for Fiscal 2021 and Fiscal 2020, broken down by product line:

Product	For the year ended March 31, 2021				For the year ended March 31, 2020			
	Revenue (₹ *in millions*)	**% of revenue from operations**	**Quantity (*MT*)**	**Average selling price (₹ *per KG*)**	**Revenue (₹ *in millions*)**	**% of revenue from operations**	**Quantity (*MT*)**	**Average selling price (₹ *per KG*)**
4MEP	944.35	20.99%	0.61	1,543.34	603.75	20.00%	0.40	1,492.12
MMBC	694.76	15.45%	0.24	2,894.83	188.32	6.24%	0.06	3,283.51
T2E	682.15	15.17%	0.42	1,624.14	346.12	11.47%	0.29	1,190.53
OTBN	620.76	13.80%	0.40	1,551.80	804.43	26.65%	0.40	2,011.08
CRAMS	359.04	7.98%			274.59	9.10%		
Others	1,197.10	26.61%	1.45	825.62	800.85	26.54%	0.86	937.15
Total	**4,498.16**	**100.00%**	**3.12**	**1,440.85**	**3,018.06**	**100.00%**	**2.01**	**1,500.66**

Our revenue from operations increased by 49.04% from ₹3,018.06 million in Fiscal 2020 to ₹4,498.16 million in Fiscal 2021. This increase can be primarily attributed to revenue generated from our sales of products under our Large-Scale Manufacturing of Specialty Chemicals business, which increased by ₹760.14 million, or 30.54%, from ₹2,489.04 million in Fiscal 2020 to ₹3,249.18 million in Fiscal 2021, primarily due to an increase in total volume of products sold. Our Contract Manufacturing business only contributed revenue to our Company for four months during Fiscal 2020, since we commenced operations of this business in November 2019. Accordingly, revenue generated from sales of products under our Contract Manufacturing business increased significantly by ₹648.59 million, or 290.88%, from ₹222.98 million in Fiscal 2020 to ₹871.57 million in Fiscal 2021.

In terms of our top products, the increase in revenue generated from sales of products is principally due to (i) a 56.41% increase in revenue from the sales of 4MEP, our top product, from ₹603.75 million in Fiscal 2020 to ₹944.35 million in Fiscal 2021, which was the result of a 52.50% increase in sales volume and a 3.43% increase in the average selling price of such product, (ii) a 279.19% increase in revenue from the sales of MMBC from ₹188.32 million in Fiscal 2020 to ₹694.76 million in Fiscal 2021, which was the result of a 300.00% increase in sales volume and a 11.84% decrease in average selling price for such product, and (iii) a 97.08% increase in revenue from the sales of T2E from ₹346.12 million in Fiscal 2020 to ₹682.15 million in Fiscal 2021, which was the result of a 44.83% increase in sales volume and a 36.42% increase in average selling price of such product. These increases were partially offset by a 22.84% decrease in revenue from the sales of OTBN from ₹804.43 million in Fiscal 2020 to ₹620.76 million in Fiscal 2021, which was the result of a 22.84% decrease in the average selling price for such product. We commenced sales of MMBC in September 2019; accordingly, the lower MMBC sales volumes for Fiscal 2020 is in large part due to the shorter six-month period of MMBC sales as compared to the full 12 months of MMBC sales in Fiscal 2021.

Other Income

Our other income increased by 101.16% from ₹19.75 million in Fiscal 2020 to ₹39.73 million in Fiscal 2021. Such increase was primarily due to (i) an increase in income resulted from foreign exchange fluctuations from ₹8.84 million in Fiscal 2020 to ₹18.32 million in Fiscal 2021, which was mainly the result of an appreciation of the Indian Rupee against foreign currencies and foreign exchange management by the Company; and (ii) an increase in Merchandise Exports from India Scheme (MEIS) duty credit given us by the Government from ₹6.40 million in Fiscal 2020 to ₹15.42 million in Fiscal 2021 as a result of our increased exports.

Cost of Materials Consumed

Our cost of materials consumed increased by 30.02% from ₹1,729.90 million in Fiscal 2020 to ₹2,249.16 million in Fiscal 2021, primarily due to an increase in the volume of products manufactured. Our cost of materials consumed increased at a slower pace than our revenue from operations (30.02% vs. 49.04%) from Fiscal 2020 to Fiscal 2021, primarily due to (i) an increase in the average selling prices of our products and (ii) cost advantages reaped by us through economies of scale and better yields as we increased our production volumes.

Change in inventories of finished goods and work-in-progress

Our opening stock of (i) finished goods was ₹181.28 million as at April 1, 2020, while it was ₹35.10 million as at April 1, 2019, and (ii) work-in-progress was ₹147.81 million as at April 1, 2020, while it was ₹125.64 million as at April 1, 2019.

Our closing stock of (i) finished goods was ₹115.06 million as at March 31, 2021, while it was ₹181.28 million as at March 31, 2020, and (ii) work-in-progress was ₹156.31 million as at March 31, 2021, while it was ₹147.81 million as at March 31, 2020.

The increase in our change in inventories of finished goods and work-in-progress to ₹57.72 million in Fiscal 2021 from ₹(168.35) million in Fiscal 2020 was primarily a result of a decrease in closing stock of finished goods by ₹66.22 million.

Employee Benefits Expense

Our employee benefits expense increased by 65.32% from ₹133.76 million in Fiscal 2020 to ₹221.13 million in Fiscal 2021 due to an increase in our workforce in line with our business expansion and as a result of the commencement of operations of our second manufacturing facility (Manufacturing Facility – 2), resulting in increased wages, staff welfare expenses (such as general annual increments given to the staff), and bonuses. In addition, we incurred ₹7.94 million in additional and overtime wages to our employees (for example, to compensate employees who lived far from our manufacturing sites and were unable to commute) during the first wave of COVID-19, from April 2020 to June 2020. We also incurred ₹3.17 million in other employee-related expenses towards food, lodging and other expenses for our workers during the first wave of COVID-19. We had 586 employees (excluding trainees) as of March 31, 2021 as compared to 473 employees (excluding trainees) as of March 31, 2020.

Finance Costs

Our finance costs increased by 20.68% from ₹93.76 million in Fiscal 2020 to ₹113.15 million in Fiscal 2021, primarily due to an increase in interest expenses as we took on additional debt, such as term loans and cash credit, which was partially offset by a decrease in interest rates in Fiscal 2021.

Depreciation and Amortization Expense

Our depreciation and amortization expense increased by 40.30% from ₹78.48 million in Fiscal 2020 to ₹110.11 million in Fiscal 2021, primarily due to an increase in depreciation on plant and machinery installed in our new manufacturing unit/plant constructed on our second manufacturing facility (Manufacturing Facility – 2). We completed the installation of such plant and machineries in December 2020, resulting in additional depreciation and amortization expenses incurred during the remaining three months of Fiscal 2021.

Other expenses

Our other expenses increased by 40.21% from ₹605.19 million in Fiscal 2020 to ₹848.56 million in Fiscal 2021, generally in line with the increase in our production volume. Specifically, the increase was mainly driven by increases in (i) power and fuel expenses, in particular steam charges, and electricity expenses in relation to trial runs and optimization done for our new manufacturing unit/plant constructed on our second manufacturing site (Manufacturing Facility – 2) during Fiscal 2021, (ii) fees paid to third-party workers for solvent recovery services and costs of transporting solvent to our manufacturing facilities up to January 2021, after which our own in-house solvent recovery plant began operation, (iii) fees paid to contract workers due to our increased production, (iv) salaries to directors, and (v) repairs and maintenance expenses for plant and machinery.

Profit before tax

As a result of the foregoing, we recorded an increase of 66.01% in our profit before tax, which amounted to ₹938.06 million in Fiscal 2021, as compared to ₹565.07 million in Fiscal 2020.

Tax expenses

Our tax expenses (current and deferred) increased by 37.07% from ₹165.51 million in Fiscal 2020 to ₹226.87 million in Fiscal 2021. Our effective tax rate in Fiscal 2021 and Fiscal 2020 was 24.19% and 29.29%, respectively. The decrease in our effective tax rate Fiscal 2021 was primarily due to a decrease in our applicable corporate tax rate from 29.12% in Fiscal 2020 to 25.17% in Fiscal 2021.

Profit for the period

As a result of the foregoing, we recorded an increase of 77.99% in our profit for the year from ₹399.56 million in Fiscal 2020 to ₹711.19 million in Fiscal 2021.

Results of operations for the Fiscal 2020 compared with Fiscal 2019

(₹ in millions)

Particulars	**For the year ended March 31,**		**Change (%)**
	2020	**2019**	
Income			
Revenue from operations	3,018.06	2,011.80	50.02%
Other income	19.75	20.97	(5.82%)
Total revenue	**3,037.81**	**2,032.77**	**49.44%**
Expenses			
Cost of materials consumed	1,729.90	1,142.51	51.41%
Changes in inventories of finished goods and work-in-progress	(168.35)	(46.76)	260.03%
Employee benefits expenses	133.76	109.46	22.20%
Finance costs	93.76	106.00	(11.55%)
Depreciation and amortization expenses	78.48	64.07	22.49%
Other expenses	605.19	331.52	82.55%
Total expenses	**2,472.74**	**1,706.80**	**44.88%**
Profit before tax	**565.07**	**325.97**	**73.35%**
Tax expenses:			
Current tax	121.92	70.34	73.33%
Deferred tax	43.59	22.28	95.65%
Total tax expenses	**165.51**	**92.62**	**78.70%**
Profit for the year	**399.56**	**233.35**	**71.23%**

Revenue from operations

Set forth below is a table showing our revenue from operations, sales volume (in MT) and average selling price (in ₹ per KG) for Fiscal 2020 and Fiscal 2019, broken down by product line:

Product	**For the year ended March 31, 2020**				**For the year ended March 31, 2019**			
	Revenue (*₹ in millions*)	**% of revenue from operations**	**Quantity (*MT*)**	**Average selling price (*₹ per KG*)**	**Revenue (*₹ in millions*)**	**% of revenue from operations**	**Quantity (*MT*)**	**Average selling price (*₹ per KG*)**
4MEP	603.75	20.00%	0.40	1,492.12	436.84	21.71%	0.29	1,483.63
MMBC	188.32	6.24%	0.06	3,283.51	-	0.00%		
T2E	346.12	11.47%	0.29	1,190.53	337.43	16.77%	0.29	1,157.83
OTBN	804.43	26.65%	0.35	2,011.08	41.74	2.07%	0.03	1,581.54
CRAMS	274.59	9.10%			201.68	10.02%		
Others	800.85	26.54%	0.86	937.15	994.11	49.41%	0.83	1,199.72
Total	**3,018.06**	**100.00%**	**2.01**	**1,500.66**	**2,011.80**	**100.00%**	**1.44**	**1,396.28**

Our revenue from operations increased by 50.02% from ₹2,011.80 million in Fiscal 2019 to ₹3,018.06 million in Fiscal 2020. This increase can be primarily attributed to an overall 69.00% growth in revenue derived from our Large-Scale Manufacturing of Specialty Chemicals business from ₹1,472.80 million in Fiscal 2019 to ₹2,489.04 million in Fiscal 2020, as we opened up new geographical markets outside of India as well as acquired new customers in India.

In terms of our top products, the increase in revenue generated from sales of products is principally due to (i) a 38.21% increase in revenue from the sales of 4MEP from ₹436.84 million in Fiscal 2019 to ₹603.75 million in Fiscal 2020, which was the result of a 37.93% increase in sales volume of such product, (ii) revenue from the sales of MMBC of ₹188.32 million in Fiscal 2020, which was a new product launched in Fiscal 2020, and (iii) a 1,827.24% increase in revenue from the sales of OTBN from ₹41.74 million in Fiscal 2019 to ₹804.43 million in Fiscal 2020, which was the result of a 1,233.33% increase in sales volume and a 27.16% increase in average selling price of such product. We commenced sales of OTBN in December 2018; accordingly, the lower OTBN sales volumes for Fiscal 2019 is in large part due to the shorter four-month period of OTBN sales as compared to the full 12 months of OTBN sales in Fiscal 2020.

Other Income

Our other income decreased slightly by 5.82% from ₹20.97 million in Fiscal 2019 to ₹19.75 million in Fiscal 2020. Such decrease was primarily attributable to a decrease in income resulted from foreign exchange fluctuations from ₹11.59 million in Fiscal 2019 to ₹8.84 million in Fiscal 2020, as the appreciation of the Indian Rupee against foreign currencies in Fiscal

2020 was less than the appreciation in Fiscal 2019.

Cost of Materials Consumed

Our cost of materials consumed increased by 51.41% from ₹1,142.51 million in Fiscal 2019 to ₹1,729.90 million in Fiscal 2020, generally in line with the increase in our revenue from operations. The increase was primarily due to an increase in the volume of raw materials, packing materials and stores and spares purchased as our production volume increased in Fiscal 2020 as compared to Fiscal 2019.

Change in inventories of finished goods and work-in-progress

Our change in inventories of finished goods and work-in-progress was ₹(46.75) million in Fiscal 2019, as we held more finished goods and work-in-progress as of March 31, 2019, when compared to April 1, 2018.

Our opening stock of (i) finished goods was ₹35.10 million as at April 1, 2019, while it was ₹41.41 million as at April 1, 2018, and (ii) work-in-progress was ₹125.64 million as at April 1, 2019, while it was ₹72.58 million as at April 1, 2018.

Our closing stock of (i) finished goods was ₹181.28 million as at March 31, 2020, while it was ₹35.10 million as at March 31, 2019, and (ii) work-in-progress was ₹147.81 million as at March 31, 2021, while it was ₹125.64 million as at March 31, 2019.

The decrease in our change in inventories of finished goods and work-in-progress to ₹(168.35) million in Fiscal 2020 from ₹(46.75) million in Fiscal 2019 was primarily a result of an increase in finished goods of ₹(146.18) million in Fiscal 2020, as compared to a decrease in finished goods of ₹6.31 million in Fiscal 2019.

Employee Benefits Expense

Our employee benefits expenses increased by 22.20% from ₹109.46 million in Fiscal 2019 to ₹133.76 million in Fiscal 2020 due to an increase in our workforce in line with our business expansion, resulting in increased wages and increased staff welfare expenses.

Finance Costs

Our finance costs decreased by 11.55% from ₹106.00 million in Fiscal 2019 to ₹93.76 million in Fiscal 2020, primarily due to a decrease in interest expenses as we utilized lower cost debt facilities (for example, PCFC instead of cash credit) as well as a reduction in term loans drawn down during Fiscal 2020. While our overall borrowings increased in Fiscal 2020, certain of the proceeds from new borrowings were utilized for our manufacturing operations and capacity expansion projects. In accordance with Ind AS requirements, the interest costs incurred thereon were capitalized to the relevant expansion project; therefore, such interest payments were not recorded as finance costs.

Depreciation and Amortization Expense

Our depreciation and amortization expense increased by 22.49% from ₹64.07 million in Fiscal 2019 to ₹78.48 million in Fiscal 2020, primarily due to an increase in depreciation on plant and machinery as we purchased additional machineries for our business expansion.

Other expenses

Our other expenses increased by 82.55% from ₹331.52 million in Fiscal 2019 to ₹605.19 million in Fiscal 2020. Specifically, the increase was mainly driven by increases in (i) fees paid to third-party workers for solvent recovery services as our production expanded, (ii) effluent disposal in relation to the increase in production activity in the period from December 2019 to March 2020, and the increased amount of disposal sent to a vendor whose charges were higher as compared to our regular vendors, who had some capacity issues at the time, (iii) electricity expenses and steam charges resulting from our increased production activities, and (iv) freight and selling expenses resulting from an expansion of our exports.

Profit before tax

As a result of the foregoing, we recorded an increase of 73.35% in our profit before tax, which amounted to ₹565.07 million in Fiscal 2020 as compared to ₹325.97 million in Fiscal 2019.

Tax expenses

Our tax expenses (current plus deferred) increased by 78.70% from ₹92.62 million in Fiscal 2019 to ₹165.51 million in Fiscal 2020. Our effective tax rate in Fiscal 2020 and Fiscal 2019 was 29.29% and 28.41%, respectively. The increase in our effective tax rate Fiscal 2020 was primarily due to an increase in our applicable corporate tax rate from 21.55% in Fiscal 2019 to 29.12% in Fiscal 2020.

Profit for the period

As a result of the foregoing, we recorded a significant increase of 71.23% in our profit for the year from ₹233.35 million in Fiscal 2019 to ₹399.56 million in Fiscal 2020.

Liquidity and Capital Resources

Capital Requirements

Our principal capital requirements are for payment of principal and interest on our borrowings, capital expenditure and working capital. 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. For the nine months ended December 31, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019, 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 fund raising by way of issuance of redeemable cumulative preference shares.

For the expansion projects that we intend to undertake, we will be utilizing a portion of the funds generated from this Issue 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.

Cash Flows

The following table summarizes our cash flows for the nine months ended December 31, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019:

(₹ in millions)

Particulars	**For the nine months ended December 31, 2021**	**For the year ended March 31,**		
		2021	**2020**	**2019**
Net Cash generated from Operating Activities	24.04	231.96	176.95	227.44
Net Cash (Used in) Investing Activities	(797.01)	(765.93)	(480.12)	(125.96)
Net Cash from/(Used in) Financing Activities	1,202.10	553.60	326.16	(99.49)
Net Increase / (Decrease) in Cash and Cash Equivalents	**429.15**	**19.63**	**22.99**	**1.99**
Cash and Cash Equivalents at the beginning of the year	55.63	36.00	13.01	11.02
Cash and Cash Equivalents at the end of the year	**484.78**	**55.63**	**36.00**	**13.01**

Cash flows generated from operating activities

We generated ₹24.04 million net cash from operating activities during the nine months ended December 31, 2021. While our net profit before tax was ₹1,113.11 million, we had an operating profit before working capital changes of ₹1,315.49 million, primarily due to adjustments for depreciation and amortization expenses of ₹114.19 million and finance costs of ₹100.35 million, which were partially offset by net unrealized foreign exchange gain, interest income and income from mutual funds amounting to ₹7.28 million, ₹2.18 million and ₹2.71 million, respectively. Our adjustments for working capital changes for the nine months ended December 31, 2021 primarily consisted of increases in trade receivables of ₹(609.38) million, inventories of ₹(650.20) million and other current assets of ₹(182.12) million, which were partially offset by a decrease in current investments of ₹29.59 million and an increase in trade payables of ₹381.91 million. Our cash generated from operating activities was ₹289.87 million, adjusted by tax paid (net of refund) of ₹(265.83) million.

We generated ₹231.96 million net cash from operating activities during Fiscal 2021. While our net profit before tax was ₹938.06 million, we had an operating profit before working capital changes of ₹1,161.22 million, primarily due to adjustments for depreciation and amortization expenses of ₹110.11 million and finance costs of ₹113.15 million, which were partially offset by interest income of ₹1.00 million. Our adjustments for working capital changes for Fiscal 2021 primarily consisted of increases in trade receivables of ₹(468.46) million, current investments of ₹(220.77) million and inventories of ₹(127.89) million, which were partially offset by increases in trade payables of ₹97.45 million and other current liabilities of ₹26.03 million. Our cash generated from operating activities was ₹431.97 million, adjusted by tax paid (net of refund) of ₹(200.01) million.

We generated ₹176.95 million net cash from operating activities during Fiscal 2020. While our net profit before tax was ₹565.07 million, we had an operating profit before working capital changes of ₹740.29 million, primarily due to adjustments for finance costs of ₹93.76 million and depreciation and amortization expenses of ₹78.48 million, partially offset by interest income of ₹1.71 million and income from mutual funds of ₹0.15 million. Our adjustments for working capital changes for Fiscal 2021 primarily consisted of increases in inventories of ₹(321.03) million and trade receivables of ₹(130.54) million and a decrease in other current liabilities of ₹(103.81) million, which were offset by an increase in trade payables of ₹149.46 million. Our cash generated from operating activities was ₹309.37 million, adjusted by tax paid (net of refund) of ₹(132.42) million.

We generated ₹227.44 million net cash from operating activities during Fiscal 2019. While our net profit before tax was ₹325.97 million, we had an operating profit before working capital changes of ₹489.57 million, primarily due to adjustments for finance costs of ₹106.00 million and depreciation and amortization expenses of ₹64.07 million, which were partially offset by net unrealized foreign exchange gain of ₹(4.76) million, interest income of ₹(1.25) million and income from mutual funds of ₹(0.46) million. Our adjustments for working capital changes for Fiscal 2019 primarily consisted of increases in trade receivables of ₹(218.64) million and inventories of ₹(174.22) million, which were partially offset by increases in trade payables of ₹92.36 million and other current liabilities of ₹117.27 million. Our cash generated from operating activities was ₹285.18 million, adjusted by tax paid (net of refund) of ₹(57.74) million.

Cash flows used in investing activities

Net cash used in investing activities was ₹797.01 million in the nine months ended December 31, 2021, primarily on account of ₹527.66 million used for purchase of fixed assets principally for Manufacturing Facility – 1 and Manufacturing Facility – 2 for various requirements of capital expenditure to be done for the plant at Manufacturing Facility – 2, expansion of R&D and Pilot Plant at Manufacturing Facility – 1, and ₹274.23 million used for capital work in progress and capital advance.

Net cash used in investing activities was ₹765.93 million in Fiscal 2021, primarily on account of ₹969.95 million used for purchase of fixed assets principally for the third manufacturing facility constructed on our second site (Manufacturing Facility – 2), which was partially offset by capital work in progress and capital advance of ₹196.75 million.

Net cash used in investing activities was ₹480.12 million in Fiscal 2020, primarily on account of ₹291.20 million used for purchase of fixed assets and ₹190.78 million used for capital work in progress and capital advance.

Net cash used in investing activities was ₹125.96 million in Fiscal 2019, primarily on account of ₹123.43 million used for purchase of fixed assets, partially offset by proceeds of ₹1.82 million used for capital work in progress and capital advance and ₹1.25 million from dividends received from current investments.

Cash flows generated from / (used in) financing activities

Net cash used in financing activities in the nine months ended December 31, 2021 amounted to ₹1,202.10 million, which primarily consisted of proceeds from long-term borrowings in the amount of ₹57.52 million and interest paid in the amount of ₹(100.35) million, proceeds from working capital facilities in the amount of ₹184.28 million, proceeds of other financial liabilities in the amount ₹5.35million and proceeds from the preferential allotment of Equity Shares of ₹1,031.80.

Net cash generated from financing activities in Fiscal 2021 amounted to ₹553.60 million, which primarily consisted of proceeds from long-term borrowings in the amount of ₹432.18 million and net proceeds from working capital facilities in the amount of ₹194.06 million, partially offset by interest paid in the amount ₹113.15 million.

Net cash generated from financing activities in Fiscal 2020 amounted to ₹326.16 million, which primarily consisted of proceeds of from long-term borrowings in the amount of ₹221.36 million and net proceeds from working capital facilities in the amount of ₹183.45 million, partially offset by interest paid in the amount ₹93.77 million.

Net cash used in financing activities in Fiscal 2019 amounted to ₹(99.49) million, which primarily consisted of the repayment of long-term borrowings in the amount of ₹119.08 million, interest paid in the amount of ₹106.00 million, partially offset by proceeds from working capital facilities in the amount of ₹110.41 million.

Capital and Other Commitments

As of December 31, 2021 and March 31, 2021, the estimated amount of contracts remaining to be executed on capital account not provided for was ₹231.41 million and ₹12.42 million, 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, modernize 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 nine months ended December 31, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019, we incurred capital expenditure of ₹489.86 million, ₹800.62 million, ₹452.22 million and ₹120.28 million, respectively. A significant amount of our capital expenditure was aimed at constructing manufacturing and other facilities, increasing our manufacturing capacities and diversifying our product base.

Contingent Liabilities

Contingent liabilities, to the extent not provided for, as of December 31, 2021, March 31, 2021, 2020 and 2019, as determined in accordance with Ind AS 37, are described below.

Contingent liabilities	**Currency**	**As of December 31, 2021**		**As of March 31,**					
				2021		**2020**		**2019**	
		Amount *(₹ in millions)*	**Margin *(₹ in millions)***	**Amount *(₹ in millions)***	**Margin *(₹ in millions)***	**Amount *(₹ in millions)***	**Margin *(₹ in millions)***	**Amount *(₹ in millions)***	**Margin *(₹ in millions)***
Bank guarantees issued for customs, Gujarat Gas Ltd. and DGVCL	INR (in millions)	47.93	11.45	36.57	10.37	33.32	11.45	19.27	3.63
Bank guarantees issued for raw material LC	INR (in millions)	0.00	17.20	0.00	10.12	15.64	23.83	0.00	8.40
Bank guarantees issued for raw material FLC	US$ (in millions)	3.03		0.82		1.42		0.62	
Income Tax Demands*	INR (in millions)	20.97	-	1.14	-	1.14	-	0.22	-

** The Income Tax Demands are under appeal by the Company and the outcome of the same is not known and hence the demand amount has been considered as contingent liability.*

Note: All the contingent liabilities are not 100% secured through cash margins placed with banks. The banks require 15% margin money on bank guarantees and 15% margin money on LC facilities.

Financial Indebtedness

The following table sets forth our secured and unsecured debt position as of December 31, 2021 and March 31, 2021.

(₹ *in millions)*

Indebtedness	As of December 31, 2021	As of March 31, 2021
Short Term		
- Secured Borrowings, comprising of:	**1,179.64**	**918.43**
- Loans repayable on demand	896.82	712.54
- Bank term loans	281.88	205.01
- Bank vehicle loans	0.94	0.88
- Unsecured Borrowing	**149.20**	**125.70**
Long Term		
- Secured Borrowings, comprising of:	**1,018.46**	**1,037.87**
- Bank term loans	1,017.15	1,035.85
- Bank vehicle loans	1.31	2.02
Total Indebtedness	**2,347.30**	**2,082.00**

Quantitative and Qualitative Disclosures about Market Risk

We are exposed to market risks that are related to the normal course of our operations such as interest rate, liquidity risk, foreign exchange risk and reputational risk, which may affect economic growth in India and the value of our financial liabilities, our cash flows and our results of operations.

Interest Rate Risk

Our Company's exposure to the risk of change in market interest rates primarily relates to our debt obligations with floating interest rates. We manage our interest rate risk through selection of appropriate type of borrowings and by negotiations with bankers.

Our variable rate borrowings are subject to interest rate risk. Below is the overall exposure of our borrowings:

(₹ *in millions)*

	As of December 31, 2021	As of March 31,		
		2021	2020	2019
Variable rate borrowings	2,195.85	1,953.40	1,340.59	916.50
Fixed rate borrowings	151.45	128.60	364.30	344.77
Total borrowings	**2,347.30**	**2,082.00**	**1,704.89**	**1,261.27**

Credit Risk

Credit risk is the risk of financial loss to our Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Our credit risk on cash and cash equivalents is limited, since we maintain deposits with banks and financial institutions with high credit ratings assigned by domestic credit rating agencies. Our credit risk, therefore, principally arises from our Company's trade receivables from customers. Such credit risk is mainly influenced by the individual characteristics of each customer of our Company. However, our management also considers factors that may influence the credit risk of our customer base, including the risk of default associated with the industry and country in which our customers operate in.

During the nine months ended December 31, 2021, Fiscal 2021, Fiscal 2020 and Fiscal 2019, based on our management's estimates, we did not make any provision on expected credit loss on our trade receivables and other financial assets.

Liquidity Risk

Liquidity risk is the risk that our Company will be unable or encounter difficulty to meet financial liabilities obligations through cash settlement or by delivering other financial assets.

Our treasury department is responsible for liquidation and funding requirements and liquidity policies and procedures are also overseen by our management. Our Company's approach in managing liquidity is to ensure that we have sufficient liquidity to meet our liabilities when they are due, under both normal and stressed conditions, and without incurring unacceptable losses or putting our Company's reputation at risk.

Our principal sources of liquidity are cash and cash equivalents and cash flow generated from our operations.

The table below sets out an analysis of our working capital and current ratio as at December 31, 2021, and March 31, 2021, 2020 and 2019:

(₹ in millions, except ratios)

	As of December 31, 2021	As of March 31,		
		2021	2020	2019
Total Current Assets (A)	4,174.75	2,335.28	1,477.89	961.09
Total Current Liabilities (B)	2,293.86	1,619.06	1,178.56	887.67
Working Capital (A-B)	**1,880.89**	**716.22**	**299.33**	**73.42**
Current Ratio	1.82	1.44	1.25	1.08

The table below sets out our exposure to financial liabilities based on the contractual maturity as at the reporting date:

(₹ in millions)

	Carrying value	Less than 1 year	More than 1 year	Total
As at December 31, 2021				
Borrowings	2,347.30	1,328.84	1,018.46	**2,347.30**
Trade payables	859.64	859.58	0.06	**859.64**
Lease Liabilities	61.55	8.56	52.99	**61.55**
Other liabilities	44.78	44.78	-	**44.78**
As at March 31, 2021				
Borrowings	2,082.00	1,044.13	1,037.87	**2.082.00**
Trade payables	477.73	477.62	0.11	**477.73**
Lease Liabilities	30.67	3.56	27.11	**30.67**
Other liabilities	44.43	44.43	-	**44.43**
As at March 31, 2020				
Borrowings	1,704.89	753.91	950.98	**1,704.89**
Trade payables	383.57	383.38	0.19	**383.57**
Lease Liabilities	18.48	2.54	15.94	**18.48**
Other liabilities	15.75	15.75	-	**15.75**
As at March 31, 2019				
Borrowings	1,261.27	504.07	757.20	**1,261.27**
Trade payables	228.07	227.87	0.20	**228.07**
Lease Liabilities	3.61	0.94	2.67	**3.61**
Other liabilities	18.18	18.18	-	**18.18**

Foreign Exchange Rate Risk

Changes in currency exchange rates influence our results of operations. A portion of our revenues, particularly relating to our export sales, is denominated in currencies other than Indian Rupees. Similarly, a portion of our expenses, including cost of raw materials or imported equipment, are denominated in currencies other than Indian Rupees. We do not enter into any hedging activities for our foreign currency positions.

The table below sets out an analysis of our unhedged foreign currency exposure:

Particulars	**For the nine months ended December 31, 2021**		**For the year ended March 31,**					
			2021		**2020**		**2019**	
	Foreign currency (*in millions*)	**Equivalent amount in rupees** (*₹ in millions*)	**Foreign currency** (*in millions*)	**Equivalent amount in rupees** (*₹ in millions*)	**Foreign currency** (*in millions*)	**Equivalent amount in rupees** (*₹ in millions*)	**Foreign currency** (*in millions*)	**Equivalent amount in rupees** (*₹ in millions*)
a. **Financial Assets**								
(i) Trade Receivables								
USD	9.19	682.96	6.51	475.26	4.13	292.08	0.40	27.64
(ii) Balance with banks – in EEFC accounts								

Particulars	For the nine months ended December 31, 2021		For the year ended March 31,					
			2021		2020		2019	
	Foreign currency (*in millions*)	Equivalent amount in rupees *(₹ in millions)*	Foreign currency (*in millions*)	Equivalent amount in rupees *(₹ in millions)*	Foreign currency (*in millions*)	Equivalent amount in rupees *(₹ in millions)*	Foreign currency (*in millions*)	Equivalent amount in rupees *(₹ in millions)*
USD	0.08	5.94	0.47	33.96	0.00	0.17	0.02	1.10
b. **Financial Liabilities**								
(iii) Trade Payables								
USD	1.82	135.04	0.98	72.14	0.98	70.39	0.88	60.59
c. Currency wise net exposure (Financial Assets – Financial Liabilities)								
USD	7.46	553.86	6.00	437.08	3.15	221.86	(0.46)	(31.85)

The following table sets out the sensitivity analysis of a 1.0% change in foreign currency exchange rate on our profit for the periods indicated:

(₹ in millions)

	Impact on profit/ equity (Strengthening by 1%)				Impact on profit/ equity (Weakening by 1%)			
	As of				As of			
	December 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019	December 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
USD	5.54	4.37	2.22	(0.32)	(5.54)	(4.37)	(2.22)	0.32

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.

Related Party Transactions

We enter into various transactions with related parties. For further information see "*Restated Financial Statements – Note 48B*" on page 273 of this Prospectus.

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.

Unusual or Infrequent Events of Transactions

Except as described in this Prospectus, there have been no other events or transactions that, to our knowledge, may be described as "unusual" or "infrequent".

Known Trends or Uncertainties

Our business has been affected and we expect will continue to be affected by the trends identified above in the heading titled "Principal Factors Affecting Our Financial Condition and Results of Operations" and the uncertainties described in the section titled "*Risk Factors*" beginning on page 25 of this Prospectus. To our knowledge, except as described or anticipated in this Prospectus, there are no known factors which we expect will have a material adverse impact on our revenues or income from continuing operations.

Future Relationship Between Cost and Income

Other than as described elsewhere in this Prospectus, including disclosure regarding the impact of COVID-19 on our operations, to the knowledge of our management, there are no known factors that might affect the future relationship between costs and revenues.

Significant Developments after December 31, 2021 that may affect our future results of operations

We began manufacturing facility construction activities on our newly acquired site (Site – 3) in August 2021. We expect to incur significant capital expenditure for the construction of the plant and the purchase and installation of machineries and equipment in this newly acquired site after December 31, 2021.

The Company has allotted 2,024,921 Equity Shares at an issue price of ₹ 642.00 on May 5, 2022 pursuant to SSA 4, SSA 5, SSA 6, SSA 7 and SSA 8.

Except for the foregoing and as otherwise stated in this Prospectus, no circumstances have arisen since the date of the Restated Financial Statements as disclosed in this Prospectus which materially and adversely affect or are likely to affect our operations or profitability, the value of our assets or our ability to pay our material liabilities within the next twelve months.

FINANCIAL INDEBTEDNESS

Our Company avails loans in the ordinary course of business for purposes such as, *inter alia*, for working capital and to meet other business requirements and for general corporate purposes. Our Company has obtained the necessary consents required under the relevant loan documentation for undertaking activities in relation to the Offer, such as, *inter alia*, effecting a change in our shareholding pattern, change in the management of our board and change in our capital structure in connection with or post the Offer. For details regarding the borrowing powers of our Board, see "*Our Management –Borrowing Powers of our Board*" on page 204.

Set forth below is a brief summary of our aggregate borrowings as of March 31, 2022:

Category of borrowing	Sanctioned amount (in ₹ million)	Outstanding amount March 31, 2022 (in ₹ million)^
Fund based borrowings		
Term Loans**	2,305.45	1,511.39
Working Capital Loans*	1,030.00	885.35
Total fund based borrowings (A)	**3,335.45**	**2,396.74**
Non fund based borrowings		
Letter of credit / Bank Guarantees	280.00	269.62
Total non fund based borrowings (B)	**280.00**	**269.62**
Unsecured Loans (C)		
Promoters	NA	149.20
HDFC Bank (WCL)	300.00	300.00
Total Unsecured Loans (C)	**300.00**	**449.20**
Total (A+B+C)	**3,915.45**	**3,115.56**

^As certified by our Statutory Auditors, M/s. Birju S. Shah & Associates, Chartered Accountants by way of certificate dated May 16, 2022
**After considering impact of foreign exchange valuation impact on PCFC loans.*
*** Includes car loan*
For details of our outstanding borrowings as on March 31, 2022 see "*Financial Statements*" on page 219.

Principal terms of the facilities sanctioned to our Company:

The details provided below are indicative and there may be additional terms, conditions and requirements under the various borrowing arrangements entered into by our Company.

1. ***Interest:*** In terms of the loans availed by us, the interest rate typically ranges from 6.25% per annum to 8.50% per annum. For certain loans, the interest rate is the base rate of a specified lender and spread per annum. The spread varies among different loans for different banks.

2. ***Tenor:*** The tenor of the facilities availed by our Company typically ranges from one year to over eight years.

3. ***Security:*** In terms of our borrowings where security needs to be created, we are typically required to, *inter alia*:

   a) Create security by way of a first *pari passu* charge on (i) fixed assets of our Company; and (ii) entire current assets of our Company both present and future;

   b) Create *pari passu* charge in the form of equitable mortgage over some of our properties; and

   c) Personal Guarantees.

   This is an indicative list and there may be additional requirements for creation of security under the various borrowing arrangements entered into by us.

4. ***Re-payment:*** The term loan facilities are typically repayable within five to eight years, as per the repayment schedule mutually agreed upon between the lender and us, forming part of the loan documentation entered into between the lenders and us, or on demand.

5. ***Events of Default:*** Borrowing arrangements entered into by us contain certain standard events of default, including, *inter alia:*

a) If our Company commits any breach or default in performance or observance any of the terms or provisions of any other agreement between the lender and Company in respect of the loan;

b) If our Company commits any default in the payment of principal or interest of any obligation of our Company to the lenders when due and payable;

c) If there is any deterioration or impairment of the securities / the property or any part thereof or any decline or depreciation in the value or market price thereof (whether actual or reasonably anticipated), which causes the securities in the judgment of the lender to become unsatisfactory as to character or value;

d) If any attachment, distress, execution or other process against our Company/our assets/bank accounts or any of the securities is threatened, enforced or levied upon by any person;

e) If our Company goes into liquidation for the purpose of amalgamation or reconstruction, except with prior written approval of the lenders;

f) If our Company, without prior written consent of the lender, attempt or purport to create any charge, mortgage, pledge, hypothecation, lien or other encumbrance over our Company's property or any part thereof, which is or shall be the security for the repayment of the dues except for securing any other obligations of our Company to the lenders.

The details above are indicative and there may be additional terms that may amount to an event of default under the various borrowing arrangements entered into by us.

Additionally, our Company is required to ensure that the aforementioned events of default and other events of default, as specified under the various binding documents and agreements entered into by our Company for the purpose of availing of loans are not triggered.

6. ***Consequences of Events of Defaults:*** Borrowing arrangements entered into by us contain certain standard consequences of events of default, including, *inter alia:*

   a) The lender may declare that the dues and all of the obligations of our Company to the lender shall immediately become due and payable irrespective of any agreed maturity;

   b) The Lender shall be entitled to enforce its security; and

   c) Convert at the option of the lender, the whole or part of the outstanding due amounts under the loan (whether due and payable or not) into equity shares of our Company at face value and / or formulate a mechanism for resolution of the stressed asset.

The details above are indicative and there may be additional terms that may amount to a consequence of an event of default under the various borrowing arrangements entered into by us.

7. ***Restrictive Covenants:*** Certain borrowing arrangements entered into by us contain restrictive covenants, including, *inter alia:*

   a) Enter into any merger/amalgamation or do any buyback without prior approval of the relevant lender;

   b) Wind up/liquidate its affairs or agree/authorize to settle any litigation/arbitration having a material adverse effect without prior approval of the relevant lender;

   c) Change the general nature of its business or undertake any expansion or invest in any other entity without prior approval of the relevant lender;

   d) Permit any change in its ownership/ control/ management (including any pledge of promoter/sponsor shareholding in the Company to any third party) or enter into arrangement whereby its business/ operations are managed or controlled, directly or indirectly, by any other person without prior approval of the relevant lender.

   e) Make any amendments to its constitutional documents without prior approval of the relevant lender;

   f) Avail any loan; and/ or stand as surety or guarantor for any third party liability or obligation and/or provide any loan or advance to any third party without prior approval of the relevant lender;

   g) Pay any commission, brokerage or fees to its promoters/directors/guarantors/ security providers without prior approval of the relevant lender;

h) Encumber its assets without prior approval of the relevant lender; and

i) Dispose its assets other as permitted by the relevant lender in writing.

This is an indicative list and there may be additional restrictive covenants under the various borrowing arrangements entered into by us. For further details, see "*Risk Factors - An inability to comply with repayment and other covenants in the financing agreements could adversely affect our business, financial condition, cash flows and credit rating*" on page 45.

SECTION VIII: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND OTHER MATERIAL DEVELOPMENTS

Except as stated below there are no outstanding (i) criminal proceedings, (ii) actions taken by statutory or regulatory authorities, (iii) claims for any direct or indirect tax liabilities in a consolidated manner; or (iv) proceeding (other than proceedings covered under (i) to (iii) above) which have been determined to be material pursuant to the Materiality Policy, involving our Company, Directors, Promoters or subsidiaries (if any).

In relation to (iv) above, in terms of the Materiality Policy, any outstanding litigation involving our Company, our Promoters, our Directors or our subsidiaries (if any) have been considered "material" for the purposes of disclosure in the Offer Documents, in case of any of the following:

a) The aggregate monetary claim made by or against our Company, our Promoters, our Directors and / or our subsidiaries (if any), (individually or in the aggregate), in any such pending litigation / arbitration proceeding is equal to or in excess of 1 % of our Company's profit after tax, derived from the most recently completed fiscal year as per the Restated Financial Statements. The profit after tax of our Company for the Fiscal 2021 is ₹ 711.19 million, and accordingly, all litigation involving our Company, Directors, Promoters, and our subsidiaries (if any) in which the amount involved exceeds ₹ 7.11 million have been considered as material, if any;

b) Any such litigation wherein a monetary liability is not quantifiable, or which does not fulfil the threshold as specified in (a) above, but the outcome of which could, nonetheless, have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of our Company; or

c) Litigations where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in an individual litigation may not exceed 1% of the Company's profit after tax derived from the most recently completed fiscal year as per the Restated Financial Statements.

Further, except as disclosed in this section, there are no (i) disciplinary action taken against any of our Promoters by SEBI or any Stock Exchange in the five Fiscals preceding the date of this Prospectus; and (ii) any litigation involving any group company which may have a material impact on our Company.

For the purposes of the above, pre-litigation notices received by our Company, subsidiaries (if any), Directors, group company (if any) or Promoters from third parties (excluding those notices issued by statutory / regulatory / tax authorities or notices threatening criminal action) have not and shall not, unless otherwise decided by our Board, be considered material until such time that our Company, our subsidiaries (if any), or such Director, group company (if any) or Promoter, as the case may be, is impleaded as a defendant in litigation before any judicial/arbitral forum.

All terms defined in a particular litigation disclosure below are for that particular litigation only.

Further, in terms of the Materiality Policy, a creditor of our Company shall be considered 'material' if the amount due to such creditor exceeds 5% of the total payables of our Company as of the end of the most recent period covered in the Restated Financial Statements. The trade payables of our Company as on December 31, 2021 was ₹ 859.64 million. Accordingly, a creditor has been considered 'material' if the amount due to such creditor exceeds ₹ 42.98 million as on December 31, 2021.

Unless stated to the contrary, the information provided below is as of the date of this Prospectus.

Litigation proceedings involving our Company

I. Litigation proceedings initiated against our Company

(a) Criminal proceedings

As on the date of this Prospectus, there are no pending criminal proceedings initiated against our Company.

(b) Actions by statutory or regulatory authorities

As on the date of this Prospectus, there are no pending actions taken by statutory or regulatory authorities initiated against our Company.

(c) Claims related to direct and indirect taxes

Except as disclosed below, on the date of this Prospectus, there are no claims related to direct and indirect taxes against our Company:

Direct tax proceedings

S.No.	Nature of Proceedings	Number of cases	Amount in dispute (in ₹ million)*
1	Income tax	3	20.97
Total		**3**	20.97

*To the extent quantifiable

(d) Other material proceedings

As on the date of this Prospectus there are no other proceedings pending against our Company, which have been considered material by our Company in accordance with the Materiality Policy.

II. Litigation proceedings initiated by our Company

(a) Criminal proceedings

As on the date of this Prospectus, there are no pending criminal proceedings initiated by our Company.

(b) Other pending proceedings

As on the date of this Prospectus, there are no other pending proceedings initiated by our Company, which have been considered material by our Company in accordance with the Materiality Policy.

Litigation proceedings involving our Directors

I. Litigation proceedings initiated against our Directors

(a) Criminal proceedings

On the date of this Prospectus, there are no criminal proceedings initiated against our Directors.

(b) Statutory or regulatory proceedings

On the date of this Prospectus, there are no pending actions taken by statutory or regulatory authorities initiated against our Directors.

(c) Claims related to direct and indirect taxes

Except as disclosed below, on the date of this Prospectus, there are no pending claims related to direct or indirect taxes against our Directors:

S.No.	Nature of Proceedings	Number of cases	Amount in dispute (in ₹ million)*
Ashwin Jayantilal Desai			
1	Income tax	1	1.88
Purnima Ashwin Desai			
1	Income Tax	1	85.06
Total		**2**	**86.94**

*To the extent quantifiable

(d) Other pending proceedings

On the date of this Prospectus there are no other pending proceedings initiated against any of our Directors, which have been considered material by our Company in accordance with the Materiality Policy.

II. Litigation proceedings initiated by our Directors

(a) Criminal proceedings

On the date of this Prospectus, there are no pending criminal proceedings initiated by any of our Directors.

(b) Other pending proceedings

On the date of this Prospectus there are no other pending proceedings initiated by any of our Directors, which have been considered material by our Company in accordance with the Materiality Policy.

Litigation proceedings involving our Promoters

I. Litigation proceedings initiated against our Promoters

(c) Criminal proceedings

On the date of this Prospectus, there are no criminal proceedings initiated against our Promoters.

(d) Statutory or regulatory proceedings

As on the date of this Prospectus, there are no pending actions taken by statutory or regulatory authorities initiated against our Promoters.

(e) Claims related to direct and indirect taxes

Except as disclosed below, there are no pending claims related to direct or indirect taxes against our Promoters.

S.No.	Nature of Proceedings	Number of cases	Amount in dispute (in ₹ million)*
Ashwin Jayantilal Desai			
1	Income tax	1	1.88
Purnima Ashwin Desai			
1	Income Tax	1	85.06
Total		**2**	**86.94**

**To the extent quantifiable*

(f) Other pending proceedings

As on the date of this Prospectus there are no other pending proceedings initiated against any of our Promoters, which have been considered material by our Company in accordance with the Materiality Policy.

(g) Disciplinary action taken against our Promoters in the five Fiscals preceding the date of this Prospectus by SEBI or any stock exchange

As no disciplinary action has been taken against our Promoters in the five Fiscals preceding the date of this Prospectus either by SEBI or any stock exchange.

II. Litigation proceedings initiated by our Promoters

(a) Criminal proceedings

As on the date of this Prospectus, there are no pending criminal proceedings initiated by any of our Promoters.

(b) Other pending proceedings

As on the date of this Prospectus there are no other pending proceedings initiated by any of our Promoters, which have been considered material by our Company in accordance with the Materiality Policy.

Litigation proceedings involving our Group Companies

As on the date of this Prospectus there are no material pending proceedings involving the Group Companies.

Outstanding dues to small scale undertakings or any other creditors

In terms of the Materiality Policy, our Board considers such creditors 'material' to whom the amount due exceeds 5 % of the trade payables as per the Restated Financial Statements, i.e., ₹ 42.98 million, as of December 31, 2021 ("**Material Creditors**").

As of December 31, 2021, our Company owed a total sum of ₹ 859.64 million to a total number of 414 creditors. The details of our outstanding dues to our Material Creditors, MSMEs and other creditors, as on December 31, 2021, as certified by our Statutory Auditors, M/s. Birju S. Shah & Associates, Chartered Accountants, are as follows:

Particulars	**No. of creditors**	**Amount due (in ₹ million)**
Micro, small or medium enterprises	38	131.87
'Material' creditors	4	216.82
Other Creditors	372	510.95

For complete details of outstanding overdues to material creditors, see https://aether.co.in/investor-relations/.

Material Developments

Except as stated in the section "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 282**,** there have not arisen, since the last period disclosed in the Restated Financial Statements in this Prospectus, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

We have set out below an indicative list of material consents, licenses, permissions, registrations, and approvals from the Government of India, various governmental agencies and other statutory and/ or regulatory authorities obtained by our Company which are considered necessary for the purpose of undertaking our business activities. In view of these key approvals, our Company can undertake the Offer and its business and operations, including on the basis of the list of material approvals provided below, and other than as stated below, no further material approvals from any regulatory authority are required to undertake the Offer or continue such business and operations. Unless otherwise stated, these material approvals are valid as of the date of this Prospectus. In addition, certain of our material approvals may have expired or may expire in the ordinary course of business, from time to time and our Company has either already made an application to the appropriate authorities for renewal of such material approvals or is in the process of making such renewal applications. In relation to the business activities and operations of our Company we have disclosed below the material approvals applied for but not received. For further details in connection with the regulatory and legal framework within which we operate, see the section titled "Key Regulations and Policies in India" on page 184. For details of corporate and other approvals in relation to the Issue, see "Other Regulatory and Statutory Disclosures – Authority for the Offer" on page 329 and for incorporation details of our Company, see "History and Certain Corporate Matters" on page 189.

I. Material approvals in relation to business and operations of our Company

We require various approvals issued by central and state authorities under various rules and regulations to carry on our business and operations in India. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements. We have received the following approvals pertaining to our business:

A. Tax related approvals

(i) The permanent account number of our Company is AALCA2848Q.

(ii) The tax deduction and collection account number of our Company is SRTA06052E.

(iii) The goods and services tax registration number of our Company is 24AALCA2848QIZ4.

(iv) The company is registered with the Central Board of Excise and Customs under registration number. AALCA2484QEM003 dated May 29, 2015.

(v) Certificate of registration under sub-section (1) of section 5 of the Gujarat State Tax on Profession, Trade, Calling and Employments Act, 1976 bearing PR2221000378 dated September 14, 2020.

B. Labour/employment related approvals

(i) Under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 the Company has been granted code no. GJ/SRT/80545 for complying with the provisions of the act by the Employees provident fund organisation through the Ministry of Labour and employment, government of India.

(ii) Under the Employees State Insurance Act, 1948 (the "**ESI Act**") the Company has been allotted code no. 39000522690000301 for implementation of the provisions of the ESI Act and registration of employees of factories and establishments granted on August 26, 2013.

C. Business related approvals

(i) Certificate of incorporation dated January 23, 2013, issued by the Registrar of Companies.

(ii) Certificate of Commencement of the Company dated March 18, 2013 by the Registrar of Companies

(iii) Certificate of eligibility for exemption from payment of electricity duty for an additional unit of the industrial undertaking obtained by the Company for Plot No. 8203, Road No-8, Beside Shakti Distillery, near Rajkamal Chokdi, GIDC Industrial Estate, Sachin District, Surat- 394230 issued by the Collector of Electricity Duty, Gandhinagar under the Gujarat Electricity Duty Act, 1958.

(iv) Report on Certificate of Stability for the Company issued by Government Registered Valuer under rule 3-C of the Factories Act for the unit set up at Manufacturing Facility 2.

(v) Strategic Memorandum of Understanding between the Company and Gujarat Pollution Control Board for the R&D centre at Manufacturing Facility 2.

(vi) Certificate of Verification for Manufacturing Facility 2 issued by the Office of the Controller, Legal Metrology, Gujarat for verification of the weights, measures, etc under the Legal Metrology Act, 2009.

(vii) Consent order for the use of outlet for discharge of treated effluent and emission due to operation of industrial plant for manufacturing for the unit at Manufacturing Facility 2 granted by the Gujarat Pollution Control Board under section 25 of the Water (Prevention and Control of Pollution) Act, 1974, section 21 of the Air (Prevention and Control of Pollution) Act, 1981 and Authorizations under Rule 3(c) & 5(5) of the Hazardous Waste (Management and Handling & Trans Boundary Movement) Rules, 2008 framed under the Environment (Protection) Act, 1986.

(viii) Certificate of Importer-Exporter Code issued by the office of the Joint Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India, under the Foreign Trade (Development and Regulation) Act, 1992, to enable our Company to carry out its export and import operations.

(ix) Certificate of Recognition for One Star Export House issued to the Company by the Joint Director General of Foreign Trade / Development Commissioner (SEZ) under the Foreign Trade Policy 2015-2020.

(x) Consolidated Consent and Authorization (the "**CC&A**") for the use of outlet for the discharge of treated effluent and emission due to operation of industrial plant for manufacturing of the products granted by Gujarat Pollution Control Board under (i) Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, (ii) Section 21 of the Air (Prevention and Control of Pollution) Act, 1981 read with ule 3(c) &5(5) of the Hazardous Waste (Management and Handling & Trans Boundary Movement) Rules, 2008 framed under the Environment (Protection) Act, 1986 for the unit set up at Manufacturing Facility 1; .

(xi) License to work a factory for the premises of the Company situated at (i) Manufacturing Facility 1; and (ii) Manufacturing Facility 2 by the Directorate Industrial Safety & Health, Gujarat State under the Factories Act, 1948.

(xii) Certificate for use of a boiler to the Company for its factory at Manufacturing Facility 2 and Manufacturing Facility 1 issued by the Gujarat Boiler Inspection Department under provisions of the Boilers Act, 1923.

(xiii) Registration license for manufacture / distribution / sale / purchase / possession / storage / consumption of controlled substance such as Acetic Anhydride issued to the Company by the Zonal Director, Narcotics Control Bureau, Ahmedabad under the Narcotics Drugs and Psychotropic Substances (Regulation of Controlled Substances) Order, 2013.

(xiv) License to import and store petroleum in an installation issued to the Company by the Joint Chief Controller of Explosives, West Circle Mumbai under the provisions of the Petroleum Act, 1934.

(xv) License granted by the Petroleum & Explosives Safety Organization, Ministry of Commerce and Industry for possession of cylinders filled with compressed gas under the Petroleum Act, 1934 or of the rules framed thereunder or of any of the conditions of this license for Manufacturing Facility 2.

(xvi) Data Sheet from Perfect Scale verifying that the tank owned by the Company are fit for storage of Sodium Methoxide as per the standards set by the Standards of Weights & Measures Act, 2009 & (General) Rules, 2011.

(xvii) Data Sheet from Perfect Scale verifying that the tanks owned by the Company is fit for storage of Methanol as per the standards set by the Standards of Weights & Measures Act, 2009 & (General) Rules, 2011.

(xviii) License granted by the Petroleum & Explosives Safety Organization, Ministry of Commerce and Industry for storage of Ethylene Oxide gas in pressure vessels under the provisions of the Indian Explosives Act, 1884 at Manufacturing Facility 2.

(xix) License granted by the Petroleum & Explosives Safety Organization, Ministry of Commerce and Industry for storage of Isobutylene gas in pressure vessels under the provisions of the Indian Explosives Act, 1884 at Manufacturing Facility 2.

(xx) License for storage of Hydrogen in Cylinders at Manufacturing Facility 2 issued by the Chief Controller of Explosives, Petroleum & Explosives Safety Organisation under the provisions of the Gas Cylinder Rules, 2016.

(xxi) Consents to operate issued by the respective pollution control board under the Air (Prevention and Control of Pollution) Act, 1981 and Water (Prevention and Control of Pollution) Act, 1974.

(xxii) Registration cum membership certificate issued by Chemexcil Basic Chemicals, Pharmaceuticals & Cosmetics, Export promotion Council, set up by the Ministry of Commerce & Industry, Government of India for export for advanced licensee business methodology.

(xxiii) License for purchase, possession and use of methyl alcohol issued under the provisions of Bombay Prohibition Act, 1949.

Key Approvals that have expired and for which renewal applications have been made:

There are no key approvals which have expired and for which renewal applications have been made as on the date of this Prospectus except as disclosed below.

(i) Renewal application dated February 1, 2022 for CC&A approval from GPCB for Manufacturing Facility 2

Key Approvals applied for by our Company but not received

(i) Certificate of Fire Compliance issued by the Sachin Notified Area Authority Gujarat Fire Prevention and Life Safety Measures Act, 2013 and the Factories Act, 1948.

Key Approvals required but not obtained or applied for by our Company

There are no key approvals required but not obtained or applied for as on the date of this Prospectus.

Approvals applied for in relation to the Objects of the Issue

Our Company has filed applications with relevant authorities to seek the following initial approval, in relation to the Proposed Greenfield Project, as set out in "*Objects of the Issue – Details of the Objects of the Fresh Issue –Funding capital expenditure requirements for Proposed Greenfield Project*" on page 93:

II. Intellectual Property Approvals

As on the date of this Prospectus, The Company has the following trademarks registered:

Sr. No	Name of the IPR/ registration/ license	Issuing authority	Whether registered/ /applied for/ unregistered	Registration ID	Date of the registration /application	Class	Date of Expiry
1.	Logo (Aether, elementally innovative)	US Patent & trademark Office	Registered	5010605	August 2, 2016	US Classes 1, 5, 6, 10, 26, 46	After 10 years
2.	Logo (Arrow)	Trade Marks Registry, Government of India	Registered	4358229	November 26, 2019	Class-1	After 10 years
3.	Word (Aether)	Trade Marks Registry, Government of India	Registered	2490771	August 10, 2016	Class-1	After 10 years
4.	Logo (Aether, elementally innovative)-(Old)	Trade Marks Registry, Government of India	Registered	2870377	September 5, 2020	Class 1, 5	After 10 years
5.	Logo (Logo)	Trade Marks Registry, Government of India	Registered	4358227	November 26, 2019	Class-1	After 10 years
6.	Logo (Arrow)	Trade Marks Registry, Government of India	Registered	4358230	November 26, 2019	Class-5	After 10 years
7.	Logo (Aether word)	Trade Marks Registry,	Registered	4358224	November 26, 2019	Class-5	After 10 years

Sr. No	Name of the IPR/ registration/ license	Issuing authority	Whether registered/ /applied for/ unregistered	Registration ID	Date of the registration /application	Class	Date of Expiry
		Government of India					
8.	Word (elementally innovative)	Trade Marks Registry, Government of India	Registered	4358225	November 26, 2019	Class-1	After 10 years
9.	Word (elementally innovative)	Trade Marks Registry, Government of India	Registered	4358226	November 26, 2019	Class-5	After 10 years

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The Offer has been authorized by a resolution of our Board dated April 28, 2022, and a special resolution of our Shareholders dated April 28, 2022. The Draft Red Herring Prospectus was approved by our Board pursuant to a resolution passed on December 28, 2021, the Red Herring Prospectus was approved by our Board pursuant to a resolution passed on May 16, 2022 and this Prospectus has been approved by our Board pursuant to a resolution passed on May 27, 2022 .

The Promoter Selling Shareholder has confirmed and approved her participation in the Offer for Sale in relation to the Offered Shares. For details, see "*The Offer*" on page 58.

The Promoter Selling Shareholder, specifically confirms that, as required under Regulation 8 of the SEBI ICDR Regulations, she has held her portion of the Offered Shares for a period of at least one year prior to the filing of the Red Herring Prospectus and this Prospectus.

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters dated January 18, 2022 and January 19, 2022, respectively.

Prohibition by SEBI or other Governmental Authorities

Our Company, Promoters, members of the Promoter Group, Directors, persons in control of our Company and the persons in control of our Promoters are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

None of the companies with which our Promoters and Directors are associated with as promoters, directors or persons in control have been debarred from accessing capital markets under any order or direction passed by SEBI or any other authorities.

None of our Directors are associated with securities market related business, in any manner and there have been no outstanding actions initiated by SEBI against our Directors in the five years preceding the date of this Prospectus.

Our Company, Promoters or Directors have not been declared as Wilful Defaulters or Fraudulent Borrowers.

Our Promoters or Directors have not been declared as fugitive economic offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

The Promoter Selling Shareholder confirms that she not been prohibited from accessing the capital market or debarred from buying, selling, or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, Promoters, members of the Promoter Group, and the Promoter Selling Shareholder confirms that she is in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

- Our Company has net tangible assets of at least ₹30 million, calculated on a restated basis, in each of the preceding three full years (of 12 months each), of which not more than 50% are held in monetary assets;
- Our Company has an average operating profit of at least ₹150 million, calculated on a restated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years;
- Our Company has a net worth of at least ₹10 million in each of the preceding three full years (of 12 months each), calculated on a restated basis; and
- Our Company has not changed its name in the last one year.

Our Company's operating profit, net worth, net tangible assets and monetary assets derived from the Restated Financial Statements included in this Prospectus as at, and for the last three years ended March 31 are set forth below:

Derived from our Restated Financial Statements:

(₹ in million)

S. No.	Particulars	Fiscal 2021	Fiscal 2020	Fiscal 2019
A.	Restated net tangible assets[(1)] (A) (₹ in million)	1,645.99	695.44	310.38
B.	Restated monetary assets[(2)] (B) (₹ in million)	35.14	0.73	0.98
C.	% of Monetary assets to net tangible assets (B/A*100)	2.13%	0.11%	0.32%
D.	Net worth[(3)]	1,743.33	782.77	385.45
E.	Restated operating profits[(4)]	1,011.48	639.08	411.00

1. *'Restated Net tangible assets' means 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.*
2. *'Restated monetary assets' means cash and cash equivalents and bank balances excluding bank deposits with remaining maturity of more than 12 months and fixed deposits held as margin money*
3. *'Net worth' "Net worth" means aggregate of share capital and other equity.*
4. *'Restated pre-tax operating profit' means restated profit before tax excluding other income and finance cost, as per the Restated Financial Statements*

The status of compliance of our Company with the conditions as specified under Regulations 5 and 7(1) of the SEBI ICDR Regulations are as follows:

(i) Our Company, our Promoters, members of the Promoter Group, the Promoter Selling Shareholder and our Directors are not debarred from accessing the capital markets by SEBI;

(ii) The companies with which our Promoters or our Directors are associated as a promoter or director are not debarred from accessing the capital markets by SEBI;

(iii) Neither our Company, nor our Promoters, or Directors is a Wilful Defaulter or Fraudulent Borrower (as defined in the SEBI ICDR Regulations);

(iv) None of our Directors has been declared as a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018;

(v) There are no outstanding convertible securities of our Company or any other right which would entitle any person with any option to receive Equity Shares of our Company as on the date of filing of this Prospectus;

(vi) Our Company has entered into tripartite agreements dated September 23, 2021 and September 20, 2021 with NSDL and CDSL, respectively, for dematerialization of the Equity Shares. Further, our Company has entered into a tripartite agreement with the respective Depositories and the Registrar to the Offer prior to the filing of the Red Herring Prospectus with RoC;

(vii) The Equity Shares of our Company held by the Promoters are in the dematerialised form;

(viii) Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Offer shall be not less than 1,000, failing which, the entire application money will be refunded forthwith;

(ix) All the Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Prospectus; and

(x) There is no requirement for us to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, BEING HDFC BANK LIMITED AND KOTAK MAHINDRA CAPITAL COMPANY LIMITED ("BRLMs"), HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI ICDR

REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BRLMs ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMs HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED DECEMBER 28, 2021 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(FORM A) OF THE SEBI ICDR REGULATIONS.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS, THE RED HERRING PROSPECTUS AND THIS PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013, OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BRLMS, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS, THE RED HERRING PROSPECTUS AND THIS PROSPECTUS.

All legal requirements pertaining to this Offer have been complied with at the time of filing of the Red Herring Prospectus and this Prospectus with the Registrar of Companies in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to this Offer have been complied with at the time of filing of this Prospectus with the Registrar of Companies in terms of sections 26, 32, 33(1) and 33(2) of the Companies Act, 2013.

Disclaimer from our Company, our Directors, the Promoter Selling Shareholder and BRLMs

Our Company, the Promoter Selling Shareholder, our Directors and the BRLMs accept no responsibility for statements made otherwise than in the Red Herring Prospectus and this Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement, and as will be provided for in the Underwriting Agreement to be entered into between the Underwriters, the Promoter Selling Shareholder, and our Company.

All information was made available by our Company, Promoter Selling Shareholder and the BRLMs to the Bidders and the public at large and no selective or additional information was made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at the Bidding Centres or elsewhere.

Bidders were required to confirm and have been deemed to have represented to our Company, the Promoter Selling Shareholder, the Underwriters and their respective directors, officers, agents, affiliates, and representatives that they were eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Promoter Selling Shareholder, the Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company, the Promoter Selling Shareholder, their respective group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Promoter Selling Shareholder, and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

This Offer has been made in India to persons resident in India (who are competent to contract under the Indian Contract Act, 1872, including Indian nationals resident in India, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, domestic Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in equity shares, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with the RBI) and permitted Non-Residents including FPIs and Eligible NRIs and AIFs that they are eligible under all applicable laws and regulations to purchase the Equity Shares. The Red Herring Prospectus and this Prospectus does not constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Red Herring Prospectus and this Prospectus comes is required to inform him or herself about, and to observe, any such restrictions. Invitations to subscribe to or purchase the Equity Shares in the Offer were made only pursuant to the Red Herring Prospectus if the recipient was in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient was outside India.

Neither the delivery of the Red Herring Prospectus and this Prospectus nor the offer of the Offered Shares shall, under any circumstances, create any implication that there has been no change in the affairs of our Company or the Promoter Selling Shareholder since the date of the Red Herring Prospectus and this Prospectus or that the information contained herein is correct as of any time subsequent to this date.

No person outside India was eligible to Bid for Equity Shares in the Offer unless that person had received the preliminary offering memorandum for the Offer, which contained the selling restrictions for the Offer outside India.

Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

Eligibility and Transfer Restrictions

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in 'offshore transactions' as defined in, and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Disclaimer Clause of BSE

As required, a copy of the Draft Red Herring Prospectus was submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of the Draft Red Herring Prospectus, is as follows:

"BSE Limited ("the Exchange") has given vide its letter dated January 18, 2022 permission to this Company to use the Exchange's name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner: -

a) warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or

b) warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or

c) take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever"

Disclaimer Clause of NSE

As required, a copy of the Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of the Draft Red Herring Prospectus, is as follows:

"As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/1478 dated January 19, 2022, permission to the Issuer to use the Exchange's name in this Offer Document as one of the Stock Exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever."

Listing

The Equity Shares proposed to be issued through the Red Herring Prospectus and this Prospectus are proposed to be listed on BSE and NSE. Applications have been made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares. BSE is the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company will forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus, in accordance with applicable law and the Promoter Selling Shareholder will be liable to reimburse our Company for any such repayment of monies, on its behalf, with respect to Promoter Selling Shareholder Offered Shares. If such money is not repaid within the prescribed time, then our Company, the Promoter Selling Shareholder and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law. Any expense incurred by our Company on behalf of the Promoter Selling Shareholder with regard to interest on such refunds will be reimbursed by the Promoter Selling Shareholder. For the avoidance of doubt, subject to applicable law, the Promoter Selling Shareholder shall not be responsible to pay interest for any delay, except to the extent that such delay has been caused by any act or omission solely attributable to the Promoter Selling Shareholder.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges are taken within six Working Days from the Bid/ Offer Closing Date or within such other period as may be prescribed. The Promoter Selling Shareholder confirms that they shall extend complete co-operation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date, or within such other period as may be prescribed.

If our Company does not Allot the Equity Shares within six Working Days from the Bid/ Offer Closing Date or within such timeline as prescribed by SEBI, all amounts received in the Public Offer Accounts will be transferred to the Refund Account and it shall be utilised to repay, without interest, all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum or such other rate as may be prescribed by the SEBI from time to time, for the delayed period, subject to applicable law.

Consents

Consents in writing of the Promoter Selling Shareholder, our Directors, our Company Secretary and Compliance Officer, Legal Counsel to the Company and the Promoter Selling Shareholder as to Indian Law, Legal Counsel to the BRLMs as to Indian Law, Bankers to our Company, the BRLMs, Registrar to the Offer, F&S, and Dr. Pankaj Jayantilal Gandhi, Chartered Engineer have been obtained; and consents in writing of the Syndicate Members, Escrow Collection Bank(s)/Refund Bank(s)/ Public Offer Account/ Sponsor Banks to act in their respective capacities, have been obtained as required under the Companies Act, 2013. All such consents have not been withdrawn until the date of this Prospectus.

Expert to the Offer

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent from the Statutory Auditors, holding a valid peer review certificate from ICAI, to include their name as required under Section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations in this Prospectus and as an "expert" as defined under Section 2(38) of Companies Act, 2013 to the extent and in their capacity as Statutory Auditors, and in respect of the: (i) Restated Financial Statements and their examination report dated April 28, 2022 on the Restated Financial Statements; and (ii) the statement of possible special tax benefits dated May 7, 2022 included in the Red Herring Prospectus and this Prospectus. Such consent has not been withdrawn up to the time of delivery of this Prospectus. However, the term "expert" shall not be construed to mean an "expert" under the U.S. Securities Act.

Our Company has received written consent dated May 16, 2022, from the independent chartered engineer, namely Dr. Pankaj Jayantilal Gandhi, Chartered Engineer, to include their name in the Red Herring Prospectus and this Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013, to the extent and in their capacity as a chartered engineer, in relation to his certificate dated May 16, 2022 certifying the capacity utilisation at our present manufacturing facilities and estimated cost for the Proposed Greenfield Project and such consent has not been withdrawn as on the date of this Prospectus.

Particulars regarding capital issues by our Company and listed group companies, subsidiaries, or associate entities during the last three years

Other than as disclosed in "*Capital Structure*" on page 75, our Company has not made any capital issues during the three years preceding the date of this Prospectus.

Our Company does not have any listed group company or any listed subsidiary or a listed associate entity.

Commission and Brokerage paid on previous issues of the Equity Shares in the last five years

Since this is the initial public issue of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since our Company's incorporation.

Performance vis-à-vis objects – Public/ rights issue of our Company

Our Company has not undertaken any public issue or rights issue in the five years preceding the date of this Prospectus.

Performance vis-à-vis objects – Public/ rights issue of the listed subsidiaries/listed Promoter of our Company

Our Company does not have a subsidiary.

Price information of past issues handled by the BRLMs

1) HDFC Bank Limited

1. Price information of past offers handled by HDFC Bank Limited

Sr. No.	Offer Name	Offer Size (in ` Mn)	Offer price (`)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Adani Wilmar Limited	36,000.00	230	February 08, 2022	227.00	+48.00% [-5.34%]	+180.96% [-4.95%]	-
2.	AGS Transact Technologies Limited	6,800.00	175	January 31, 2022	176.00	-42.97% [-3.05%]	-28.63% [-1.64%]	-
3.	One 97 Communications Limited	183,000.00	2,150	November 18, 2021	1,955.00	-38.52% [-4.40%]	-60.39% [-2.51%]	-72.49% [-11.17%]
4.	PB Fintech Limited	57,097.15	980	November 15, 2021	1,150.00	+14.86% [-4.33%]	-20.52% [-4.06%]	-34.16% [-12.85%]
5.	Aditya Birla Sun Life AMC Limited	27,682.56	712	October 11, 2021	715.00	-11.36% [+0.55%]	-23.85% [-0.74%]	-25.65% [-0.90%]
6.	Chemplast Sanmar Limited	38,500.00	541	August 24, 2021	550.00	+2.06% [+5.55%]	+12.68% [+6.86%]	-3.30% [+3.92%]
7.	G R Infraprojects Limited	9,623.34	837	July 19, 2021	1,700.00	+90.61% [+6.16%]	+138.67% [+16.65%]	+132.16% [+16.50%]
8.	Computer Age Management Services Ltd	22,421.05	1,230	October 01, 2020	1,518.00	+5.52% [+2.37%]	+49.52% [+23.04%]	+43.67% [+26.65%]

Source: www.nseindia.com and www.bseindia.com for price information and prospectus for offer details

Notes:

1. *Designated stock exchange of the respective issuer has been considered for the pricing information*
2. *30th calendar day has been taken as listing date plus 29 calendar days; 90th calendar day has been taken as listing date plus 89 calendar days; 180th calendar day has been taken as listing date plus 179 calendar days*
3. *In case of reporting dates falling on a trading holiday, values for immediately previous trading day have been considered*
4. *In G R Infraprojects Limited, the offer price to eligible employees was ₹795 after a discount of ₹42 per equity share*
5. *In Computer Age Management Services Limited, the offer price to eligible employees was ₹1,108 after a discount of ₹122 per equity share*
6. *In Adani Wilmar Limited, the offer price to eligible employees was ₹209 after a discount of ₹21 per equity share*

2. Summary statement of price information of past offers handled by HDFC Bank Limited

Financial Year	Total no. of IPOs	Total amount of funds raised (` in million)	No. of IPOs trading at discount as on 30th calendar day from listing date			No. of IPOs trading at premium as on 30th calendar day from listing date			No. of IPOs trading at discount as on 180th calendar day from listing date			No. of IPOs trading at premium as on 180th calendar day from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2022 – 23	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2021 – 22	7	3,58,703.05	-	2	1	1	1	2	1	2	1	1	-	-
2020 – 21	1	22,421.05	-	-	-	-	-	1	-	-	-	-	1	-

Notes:

1. *The information is as on the date of this Prospectus.*
   The information for each of the financial years is based on offers listed during such financial year.

2) Kotak Mahindra Capital Company Limited

1. *Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Kotak Mahindra Capital Company Limited*

S. No.	Issue name	Issue size (₹ million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Delhivery Limited	52,350.00	487[1]	May 24, 2022	493.00	-	-	-
2.	Life Insurance Corporation Of India	205,572.31	949[2]	May 17, 2022	867.20	-	-	-
3.	Rainbow Children's Medicare Limited	1,580.85	542[3]	May 10, 2022	510.00	-	-	-
4.	Campus Activewear Limited	1399.60	292[4]	May 9, 2022	360.00	-	-	-
5.	Vedant Fashions Limited	31,491.95	866	February 16, 2022	935.00	+3.99%, [-0.20%]	+14.53%,[-8.54%]	-
6.	Adani Wilmar Limited	36,000.00	230[5]	February 8, 2022	227.00	+48.00%, [-5.34%]	+180.96%,[-4.95%]	-
7.	C.E. Info Systems Limited	10,396.06	1,033	December 21, 2021	1,581.00	+70.21%, [+6.71%]	+48.48%, [+2.74%]	-
8.	Rategain Travel Technologies Limited	13,357.43	425[6]	December 17, 2021	360.00	+11.99%, [+7.48%]	- 31.08%, [-0.06%]	-
9.	Star Health And Allied Insurance Company Limited	64,004.39	900[7]	December 10, 2021	845.00	-14.78%, [+1.72%]	- 29.79%, [-6.66%]	-
10.	PB Fintech Limited	57,097.15	980	November 15, 2021	1,150.00	+14.86%, [-4.33%]	- 20.52%, [-4.06%]	-34.16%, [-12.85%]
11.	FSN E-commerce Ventures Limited	53,497.24	1,125[8]	November 10, 2021	2,018.00	+92.31%, [-2.78%]	+68.46%, [-4.46%]	+36.80%, [-8.91%]
12.	Aditya Birla Sun Life AMC Limited	27,682.56	712	October 11, 2021	715.00	-11.36%, [+0.55%]	-23.85%, [-0.74%]	-25.65%, [-0.90%]

Source: www.nseindia.com; www.bseindia.com

Notes:

1. *In Delhivery Limited, the issue price to eligible employees was ₹ 462 after a discount of ₹ 25 per equity share*

2. *In Life Insurance Corporation of India, the issue price to retail investors and eligible employees was ₹ 904 after a discount of ₹ 45 per equity share and the issue price to eligible policyholders was ₹ 889 after a discount of ₹ 60 per equity share*
3. *In Rainbow Children's Medicare Limited, the issue price to eligible employees was ₹ 522 after a discount of ₹ 20 per equity share*
4. *In Campus Activewear Limited, the issue price to eligible employees was ₹ 265 after a discount of ₹ 27 per equity share*
5. *In Adani Wilmar Limited, the issue price to eligible employees was ₹ 209 after a discount of ₹ 21 per equity share*
6. *In Rategain Travel Technologies Limited, the issue price to eligible employees was ₹ 385 after a discount of ₹ 40 per equity share*
7. *In Star Health And Allied Insurance Company Limited, the issue price to eligible employees was ₹ 820 after a discount of ₹ 80 per equity share*
8. *In FSN E-Commerce Ventures Limited, the issue price to eligible employees was ₹ 1,025 after a discount of ₹ 100 per equity share*
9. *In the event any day falls on a holiday, the price/index of the immediately preceding trading day has been considered.*
10. *The 30th, 90th, 180th calendar days from listed day have been taken as listing day plus 29, 89 and 179 calendar days.*
11. *Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information.*
12. *Restricted to last 10 equity initial public issues.*

2. *Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Kotak Mahindra Capital Company Limited*

Financial Year	**Total no. of IPOs**	**Total amount of funds raised (₹ million)**	**No. of IPOs trading at discount - 30th calendar days from listing**			**No. of IPOs trading at premium - 30th calendar days from listing**			**No. of IPOs trading at discount - 180th calendar days from listing**			**No. of IPOs trading at premium - 180th calendar days from listing**		
			Over 50%	**Between 25-50%**	**Less than 25%**	**Over 50%**	**Between 25-50%**	**Less than 25%**	**Over 50%**	**Between 25-50%**	**Less than 25%**	**Over 50%**	**Between 25-50%**	**Less than 25%**
2022-23	4	287,726.80	-	-	-	-	-	-	-	-	-	-	-	-
2021-22	19	624,047.99	-	-	5	5	5	4	1	1	1	7	1	1
2020-21	6	140,143.77	-	-	1	2	1	2	-	-	-	4	1	1

Notes:
1. *The information is as on the date of this Prospectus.*
2. *The information for each of the financial years is based on issues listed during such financial year.*

Track record of past issues handled by the Book Running Lead Managers

For details regarding the track record of the Book Running Lead Managers, as specified in circular (reference CIR/MIRSD/1/2012) dated January 10, 2012 issued by SEBI, please see the websites of the Book Running Lead Managers, as set forth in the table below:

S. No.	Name of the Book Running Lead Manager	Website
1.	HDFC Bank Limited	www.hdfcbank.com
2.	Kotak Mahindra Capital Company Limited	https://investmentbank.kotak.com

Stock Market Data of Equity Shares

This being an initial public offer of Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The Registrar Agreement provides for the retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs in accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially-allotted applications, for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Book Running Lead Managers shall compensate the investors at the rate higher of ₹ 100 or 15% per annum of the application amount for the period of such delay.

All grievances in relation to the Bidding process may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, UPI ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Banks for addressing any clarifications or grievances of ASBA Bidders. Our Company, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission, or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. Investors can contact our Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Our Company, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission, or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, in terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

Anchor Investors are required to address all grievances in relation to the Offer to the BRLMs.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned herein.

Our Company had not received investor complaints in relation to the Equity Shares for the three years prior to the filing of the Draft Red Herring Prospectus, and no investor complaint in relation to our Company is pending as on the date of filing of the Red Herring Prospectus and this Prospectus.

Disposal of Investor Grievances by our Company

Our Company shall obtain authentication on the SCORES in terms of the SEBI circular bearing number CIR/OIAE/1/2013 dated April 17, 2013 read with SEBI circular SEBI/HO/OIAE/IGRD/CIR/P/2019/86 dated August 2, 2019, SEBI circular bearing number SEBI/HO/OIAE/IGRD/CIR/P/2021/642 dated October 14, 2021 and shall comply with the SEBI circular (CIR/OIAE/1/2014) dated December 18, 2014 in relation to redressal of investor grievances through SCORES.

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the SCSB in case of ASBA Bidders, for the redressal of routine investor grievances shall be five Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has also appointed Chitrarth Rajan Parghi, the Company Secretary of our Company, as the Compliance Officer for the Offer. For details, see "*General Information*" on page 66.

Our Company has constituted a Stakeholders' Relationship Committee comprising Rohan Ashwin Desai, Kamalvijay Ramchandra Tulsian, Ishita Surendra Manjrekar, Arun Brijmohan Kanodiya, Leja Satish Hattiangadi and Rajkumar Mangilal Borana as members. For details, see "*Our Management - Stakeholders' Relationship Committee*" on page 208.

Exemption from complying with any provisions of securities laws, if any, granted by SEBI

The Company has not sought for any exemptions from complying with any provisions of securities laws.

SECTION IX: OFFER RELATED INFORMATION

TERMS OF THE OFFER

The Equity Shares being issued, offered and Allotted pursuant to the Offer shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, the MoA, AoA, SEBI Listing Regulations, the terms of the Red Herring Prospectus, this Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Offer.

The Equity Shares offered pursuant to the Offer shall be subject to the provisions of the Companies Act, the Memorandum of Association and Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares including in respect of voting and the right to receive dividend. Further, in the case of Offer for Sale, the dividend for the entire year shall be payable to the Allottees. In addition, the Allottees upon Allotment of Equity Shares under the Offer, will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see "*Main Provisions of Articles of Association*" on page 367.

Ranking of Equity Shares

The Equity Shares being offered/Allotted and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, our Memorandum of Association and Articles of Association and shall rank pari passu in all respects with the existing Equity Shares including in respect of the right to receive dividend, voting and other corporate benefits. For further details, see "*Main Provisions of Articles of Association*" beginning on page 367.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum and Articles of Association and provisions of the SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment (pursuant to the transfer of Equity Shares from the Offer for Sale), will be payable to the Bidders who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable laws. For further details, in relation to dividends, see "*Dividend Policy*" and "*Main Provisions of Articles of Association*" beginning on pages 218 and 367, respectively.

Face Value, Offer Price, Floor Price and Price Band

The face value of each Equity Share is ₹ 10 and the Offer Price at the lower end of the Price Band is ₹ 610 per Equity Share and at the higher end of the Price Band is ₹ 642 per Equity Share. The Anchor Investor Offer Price is ₹ 642 per Equity Share.

The Offer Price, Price Band and the minimum Bid Lot size for the Offer has been decided by our Company and the Promoter Selling Shareholder in consultation with the BRLMs, and has been advertised in all editions of the Financial Express, an English national daily newspaper, all editions of Jansatta, a Hindi national daily newspaper and Surat editions of Gujaratmitra and Gujaratdarpan, Gujarati newspapers, Gujarati being the regional language of Gujarat, where our Registered and Corporate Office is located, each with wide circulation, at least two Working Days prior to the Bid/Offer Opening Date and was made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, were pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges.

At any given point of time, there shall be only one denomination for the Equity Shares.

The Offer

The Offer comprises a Fresh Issue and an Offer for Sale by the Promoter Selling Shareholder.

Expenses for the Offer shall be shared amongst our Company and the Promoter Selling Shareholder in the manner specified in "*Objects of the Offer - Offer Expenses*" on page 102.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our equity Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI Listing Regulations, and the Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/sub-division, see "*Main Provisions of Articles of Association*" on page 367.

Allotment of Equity Shares in dematerialised form

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges. In this context, our Company has entered into the following agreements with the respective Depositories and Link Intime India Private Limited:

- Tripartite agreement dated September 23, 2021 amongst our Company, NSDL and Registrar to the Offer.
- Tripartite agreement dated September 20, 2021 amongst our Company, CDSL and Registrar to the Offer.

Our Company has entered into a tripartite agreement with the respective Depositories and the Registrar to the Offer prior to the filing of the Red Herring Prospectus with RoC.

Market Lot and Trading Lot

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in this Offer will be in multiples of one Equity Share subject to a minimum Allotment of 23 Equity Shares.

Joint Holders

Subject to the provisions of the Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, the sole Bidder, or the first Bidder along with other joint Bidders, could nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered and Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

a) to register himself or herself as the holder of the Equity Shares; or

b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialized mode, there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective Depository Participant.

Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

Bid/Offer Programme

BID/OFFER OPENED ON	TUESDAY, MAY 24, 2022 [1]
BID/OFFER CLOSED ON	THURSDAY, MAY 26, 2022

(1) *The Anchor Investor Bid/Offer Period was one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations i.e., Monday, May 23, 2022*

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about Tuesday, May 31, 2022
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account*	On or about Wednesday, June 1, 2022
Credit of Equity Shares to demat accounts of Allottees	On or about Thursday, June 2, 2022
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about Friday, June 3, 2022

* *In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable.*

The above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation or liability on our Company, our Promoter Selling Shareholder or the BRLMs.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date, the timetable may be extended due to various factors, such as extension of the Bid/Offer Period by our Company and the Promoter Selling Shareholder in consultation with the BRLMs, or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Promoter Selling Shareholder confirms that it shall extend such reasonable support and co-operation required by our Company and the BRLMs for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date or such other period as may be prescribed by SEBI.

In terms of the UPI Circulars, in relation to the Offer, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within six Working Days from the Bid/ Offer Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Submission of Bids (other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“**IST**”)
Bid/Offer Closing Date	
Submission and Revision in Bids	Only between 10.00 a.m. and 3.00 p.m. IST

On the Bid/ Offer Closing Date, the Bids were required to be uploaded until:

(i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

(i) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs.

On Bid/Offer Closing Date, extension of time could be granted by Stock Exchanges only for uploading Bids received by Retail Individual Bidders, after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders were advised to submit their Bids one day prior to the Bid/Offer Closing Date. Any time mentioned in this Prospectus was IST. Bidders were cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that could not be uploaded were not considered for allocation under this Offer. Bids were accepted only during Working Days.

Investors were advised note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101-6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids were not accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders were required be uploaded by the relevant Designated Intermediary in the electronic system provided by the Stock Exchanges. None among our Company and the Promoter Selling Shareholder or any member of the Syndicate is liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or otherwise; and (ii) the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Banks on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

In case of discrepancy in data entered in the electronic book vis-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Minimum Subscription

In the event our Company does not receive (i) a minimum subscription of 90% of the Fresh Issue, and (ii) a subscription in the Offer as specified under Rule 19(2)(b) of the SCRR, including through devolvement of Underwriters, as applicable, within sixty (60) days from the date of Bid Closing Date, or if the subscription level falls below the thresholds mentioned above after the Bid Closing Date, on account of withdrawal of applications or after technical rejections or any other reason, or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares being offered under the Red Herring Prospectus, our Company shall forthwith refund the entire subscription amount received. In terms of the SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, our Company shall within four days from the closure of the Offer, refund the subscription amount received in case of non – receipt of minimum subscription or in case our Company fails to obtain listing or trading permission from the Stock Exchanges for the Equity Shares. If there is a delay beyond four days after the Issuer becomes liable to pay the amount, the Issuer and our Director who are officers in default, shall pay interest at the rate of fifteen percent per annum.

In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the SCRR, Allotment will be first made towards the Fresh Issue from the valid Bids and Offer for Sale subsequently.

The Promoter Selling Shareholder shall reimburse, in proportion to the portion of its Offered Shares, any expenses and interest incurred by our Company on behalf of such Promoter Selling Shareholder for any delays in making refunds as required under the Companies Act and any other applicable law, provided that such Promoter Selling Shareholder shall not be responsible or liable for payment of such expenses or interest, unless such delay is solely and directly attributable to an act or omission of such Promoter Selling Shareholder.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000.

Arrangements for Disposal of Odd Lots

There are no arrangements for disposal of odd lots since our Equity Shares will be traded in dematerialised form only and market lot for our Equity Shares will be one Equity Share.

New Financial Instruments

The Offer is an issue of Equity Shares, and no new financial instruments are issued by our Company through this Offer.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for lock-in of the pre-Offer capital of our Company, lock-in of the Promoters' minimum contribution under the SEBI ICDR Regulations and the Anchor Investor lock-in as provided in "*Capital Structure*" on page 75 and except as provided under the Articles of Association, there are no restrictions on transfer of the Equity Shares. Further, there are no restrictions on transmission of any shares of our Company and on their consolidation or sub-division, except as provided in the Articles of Association. For details, see "*Main Provisions of Articles of Association"* beginning on page 367.

Allotment only in Dematerialized Form

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares in the Offer shall be Allotted only in dematerialised form. Further, as per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges.

Withdrawal of the Offer

Our Company and the Promoter Selling Shareholder, in consultation with the BRLMs, reserves the right not to proceed with the Fresh Issue and the Promoter Selling Shareholder, reserve the right not to proceed with the Offer for Sale, in whole or in part thereof, to the extent of the Offered Shares, after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed. The BRLMs, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Banks (in case of UPI Bidders), to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared, and the Stock Exchanges will also be informed promptly.

If our Company and the Promoter Selling Shareholder, in consultation with the BRLMs withdraws the Offer at any stage and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI and the Stock Exchanges. Notwithstanding the foregoing, this Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) the filing of this Prospectus with the RoC. If Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law.

The Bids by FPIs with certain structures as described under the section entitled "*Offer Procedure*" on page 349 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill over from any other category or combination of categorises at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis.

OFFER STRUCTURE

Offer of 12,586,355* Equity Shares for cash at a price of ₹ 642 per Equity Share (including a premium of ₹ 632 per Equity Share aggregating to ₹ 8,080.44 million comprising a Fresh Issue of 9,766,355* Equity Shares aggregating to ₹ 6,270.00 million by our Company and an Offer for Sale of 2,820,000* Equity Shares aggregating to ₹1,810.44 million* by the Promoter Selling Shareholder. The Offer constitutes 10.11 % of the post-Offer paid-up Equity Share capital of our Company.

The face value of the Equity Shares is ₹ 10 each.

The Offer comprises of a Net Offer of 12,474,985* Equity Shares and Employee Reservation Portion of 111,370* Equity Shares aggregating to ₹ 71.50 million (constituting 0.09% of our post-Offer paid-up Equity Share capital). The Offer and the Net Offer constitutes 10.11 % and 10.02 %, respectively of the post-Offer paid-up Equity Share capital of our Company.

**Subject to finalization of the Basis of Allotment*

Our Company, in consultation with the BRLMs, has undertaken a Pre-IPO Placement of 2,024,921 Equity Shares aggregating to ₹ 1,300.00 million. The size of the Fresh Issue of Equity Shares aggregating to ₹ 7,570.00 million has been reduced by ₹ 1,300.00 million pursuant to the Pre-IPO Placement and accordingly, the Fresh Issue comprises of 9,766,355 Equity Shares aggregating to ₹ 6,270.00 million.

The Offer was made through the Book Building Process.

Particulars	Eligible Employees#	QIBs(1)	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/ allocation * (2)	111,370^ Equity Shares	6,237,492^ Equity Shares	1,871,248^ Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and Retail Individual Bidders	4,366,245^ Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer size available for Allotment/ allocation	The Employee Reservation Portion constitutes 0.09% of the post-Offer paid-up Equity Share capital of our Company	Not more than 50% of the Net Offer was available for allocation to QIBs. However, 5% of the Net QIB Portion (excluding the Anchor Investor Portion) was available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining Net QIB Portion (excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund Portion was available for allocation to the other QIBs	Not less than 15% of the Net Offer or the Net Offer less allocation to QIBs and Retail Individual Bidders was available for allocation, out of which i) one third was reserved for Bidders with Bids exceeding ₹ 200,000 and up to ₹ 10,00,000; and ii) two thirds was reserved for Bidder with Bids exceeding ₹ 10,00,000	Not less than 35% of the Net Offer or Net Offer less allocation to QIBs and Non-Institutional Bidders was available for allocation
Basis of Allotment/ allocation if respective category is oversubscribed*	Proportionate; unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible Employee shall not exceed ₹	Proportionate as follows (excluding the Anchor Investor Portion): (a) 124,750^ Equity Shares were available for allocation on a proportionate basis to	Allotment to each Non-Institutional Bidder shall not be less than the Minimum NIB Application Size, subject to the availability of Equity Shares in the Non-Institutional Portion, and	Allotment to each Retail Individual Bidder shall not be less than the maximum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares is any, shall

Particulars	Eligible Employees#	QIBs(1)	Non-Institutional Bidders	Retail Individual Bidders
	200,000. In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion could be Allotted, on a proportionate basis, to Eligible Employees for value exceeding ₹200,000, subject to total Allotment to an Eligible Employee not exceeding ₹ 500,000.00 each	Mutual Funds only; and (b) 2,370,247^ Equity Shares were available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. Up to 60% of the QIB Portion (37,42,495^ Equity Shares were allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price	the remaining Equity Shares, if any, shall be allotted on a proportionate basis. For details, see "*Offer Procedure*" beginning on page 349	be allotted on a proportionate basis. For details see, "*Offer Procedure*" on page 349
Minimum Bid	23 Equity Shares and in multiples of 23 Equity Shares thereafter	Such number of Equity Shares and in multiples of 23 Equity Shares so that the Bid Amount exceeds ₹200,000	Such number of Equity Shares and in multiples of 23 Equity Shares so that the Bid Amount exceeds ₹200,000	23 Equity Shares
Maximum Bid	Such number of Equity Shares in multiples of 23 Equity Shares so that the Bid Amount by each Eligible Employee in this portion does not exceed ₹ 500,000.00, if any.	Such number of Equity Shares in multiples of 23 Equity Shares so that the Bid does not exceed the size of the Net Offer, subject to applicable limits	Such number of Equity Shares in multiples of 23 Equity Shares so that the Bid does not exceed the size of the Net Offer (excluding the QIB Portion), subject to applicable limits	Such number of Equity Shares in multiples of 23 Equity Shares so that the Bid Amount does not exceed ₹200,000
Mode of Allotment	Compulsorily in dematerialized form			
Bid Lot	23 Equity Shares and in multiples of 23 Equity Shares thereafter			
Allotment Lot	A minimum of 23 Equity Shares and thereafter in multiples of one Equity Share			
Trading Lot	One Equity Share			
Who can apply(3) (4)	Eligible Employees (such that the Bid	Public financial institutions as specified in Section 2(72) of the Companies Act 2013,	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies,	Resident Indian individuals, Eligible NRIs

Particulars	Eligible Employees#	QIBs(1)	Non-Institutional Bidders	Retail Individual Bidders
	Amount does not exceed ₹ 500,000.00)	scheduled commercial banks, mutual funds registered with SEBI, FPIs (other than individuals, corporate bodies and family offices), VCFs, AIFs, state industrial development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹250 million, pension fund with minimum corpus of ₹250 million National Investment Fund set up by the Government, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs.	corporate bodies, scientific institutions, societies, trusts and FPIs who are individuals, corporate bodies, and family offices	and HUFs (in the name of Karta)
Terms of Payment	**In case of Anchor Investors**: Full Bid Amount was payable by the Anchor Investors at the time of submission of their Bids(4) **In case of all other Bidders**: Full Bid Amount was blocked in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism (for RIBs or Individual investors bidding under the Non – Instiutional Portion for an amount of more than ₹ 200,000 and up to ₹ 500,000, using the UPI Mechanism) that is specified in the ASBA Form at the time of submission of the ASBA Form			
Mode of Bidding	Only through the ASBA process (except for Anchor Investors). In case of RIBs, ASBA process will include the UPI mechanism.			

^ *Subject to finalization of the Basis of Allotment*

\# *Our Company and the Promoter Selling Shareholder, in consultation with the BRLMs, has allocated up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price Anchor Investor Allocation Price. For details, see "Offer Structure" on page 345.*

\## *Eligible Employees Bidding in the Employee Reservation portion could Bid up to a Bid Amount of ₹ 500,000.00. However, a Bid by an Eligible Employee in the Employee Reservation Portion was considered for allocation, in the first instance, for a Bid Amount of up to ₹ 200,000. Further, an Eligible Employee Bidding in the Employee Reservation Portion could also Bid in the Net Offer and such Bids will not be treated as multiple Bids subject to applicable limits. The unsubscribed portion if any, in the Employee Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription was permitted from the Employee Reservation Portion.*

(1) This is an Offer in terms of Rule 19(2)(b) of the SCRR in compliance with Regulation 6(1) of the SEBI ICDR Regulations

(2) In case of joint Bids, the Bid cum Application Form were required to contain only the name of the first Bidder whose name appeared as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids, except as otherwise permitted, in any or all categories.

(3) Full Bid Amount was paid by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price was payable by the

Anchor Investor Pay-In Date as indicated in the CAN. Bidders will be required to confirm and will be deemed to have represented to our Company, the Promoter Selling Shareholder, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Subject to valid Bids having been received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion, the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Promoter Selling Shareholder in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion was not be allowed to be met with spill-over from other categories or a combination of categories. For further details, see "*Terms of the Offer*" on page 340.

OFFER PROCEDURE

All Bidders should read the General Information Document which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer, especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v)issuance of CAN and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of the Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

*SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. ("**UPI Phase I**"). The UPI Phase I was effective till June 30, 2019.*

*With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs ("**UPI Phase III**"), as may be prescribed by SEBI. The Offer has been undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on or after May 1, 2021 and the provisions of this circular are deemed to form part of this Prospectus. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 modifying the process timelines and extending the implementation timelines for certain measures introduced by the March 16 Circular. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹0.5 million shall use the UPI Mechanism.*

The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021, read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

Our Company, the Promoter Selling Shareholder and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated in this section and General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and this Prospectus.

Further, our Company, the Promoter Selling Shareholder and the Members of the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Offer.

Book Building Procedure

The Offer has been made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Net Offer was allocated on a proportionate basis to QIBs, provided that our Company and the Promoter Selling Shareholder, in consultation with the BRLMs, allocated up to 60% of the QIB

Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third was reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. Further, 5% of the Net QIB Portion was available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the Net QIB Portion was available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids having been received at or above the Offer Price. Further, not less than 15% of the Net Offer was available for allocation to Non-Institutional Bidders out of which (a) one third of such portion was reserved for Non-Institutional Bidders with application size of more than ₹ 0.20 million and up to ₹ 1.00 million; and (b) two third of such portion was reserved for Non-Institutional Bidders with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of such sub-categories could be allocated to Non-Institutional Bidders in the other sub-category of Non-Institutional Bidders and not less than 35% of the Net Offer could be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. The Issue includes an Employee Reservation Portion of 111,370 Equity Shares aggregating to ₹ 71.50 million for subscription by Eligible Employees. The Employee Reservation Portion does not exceed 0.09 % of post-Issue paid-up Equity Share capital.

Under-subscription, if any, in any category (including the Employee Reservation Portion), except in the QIB Portion, was allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company and the Promoter Selling Shareholder, in consultation with the BRLMs and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Offer Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated Feb 13, 2020 and press release dated June 25, 2021.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which did not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID, for UPI Bidders using the UPI Mechanism, were treated as incomplete and were rejected. Bidders did have the option of being Allotted Equity Shares in physical form. However, they could get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer.

Phased implementation of Unified Payments Interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 has decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

Phase III: The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing would be reduced to three Working Days. Accordingly, upon commencement of Phase III, the reduced time duration shall be applicable for the Offer.

Pursuant to the UPI Streamlining Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streaming Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post – Offer BRLM will be required to compensate the concerned investor.

The Offer has been made under UPI Phase II of the UPI Circular

Further, in terms of the UPI Circulars, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 500,000, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 200,000 and up to ₹ 500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

All SCSBs offering the facility of making applications in public issues also provided the facility to make application using UPI.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus were made available with the Designated Intermediaries at the Bidding Centres, and at our Registered and Corporate Office. An electronic copy of the Bid cum Application Form was also made available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid/Offer Opening Date.

Copies of the Anchor Investor Application Form were available at the offices of the BRLMs.

All Bidders (other than Anchor Investors) were required to mandatorily participate in the Offer only through the ASBA process. Anchor Investors were not permitted to participate in the Offer through the ASBA process. The RIBs and UPI Bidders could additionally Bid through the UPI Mechanism.

RIBs bidding using the UPI Mechanism were required to provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that did not contain the UPI ID were liable to be rejected. Retail Individual Bidders Bidding using the UPI Mechanism could also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI.

ASBA Bidders (other than Retail Individual Bidders using UPI Mechanism) were required to provide bank account details and authorisation to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that did not contain such details were liable to be rejected or the UPI ID, as applicable, in the relevant space provided in the ASBA Form. All ASBA Bidders were required to provide either, (i) bank account details and authorizations to block funds in the ASBA Form; or (ii) the UPI ID (in case of UPI Bidders), as applicable, in the relevant space provided in the ASBA Form and the ASBA Forms that did not contain such details will be rejected. Applications made by the UPI Bidders using third party bank account or using third party linked bank account UPI ID are liable to be rejected.

ASBA Bidders were required to ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp were liable to be rejected. UPI Bidders using UPI Mechanism, could submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorising an SCSB to block the Bid Amount in the ASBA Account could submit their ASBA Forms with the SCSBs. ASBA Bidders had to ensure that the ASBA Account had sufficient credit balance such that an amount equivalent to the full Bid Amount could be blocked by the SCSB or the Sponsor Banks, as applicable at the time of submitting the Bid. In order to ensure timely information to Bidders, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked.

The Sponsor Banks hosted a web portal for intermediaries (closed user group) from the date of Bid/Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process. For Anchor Investors, the Anchor Investor Application Form was available at the offices of the Managers. Anchor Investors were not permitted to participate in the Issue through the ASBA process.

The prescribed colour of the Bid cum Application Form for the various categories was as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	White
Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis	Blue
Anchor Investors	White
Eligible Employees bidding in the Employee Reservation Portion#	Pink

* *Excluding electronic Bid cum Application Forms*

\# *Bid cum Application Forms for Eligible Employees were available at the Registered Office of the Company*

Notes:

(1) Electronic Bid cum Application forms and the abridged prospectus were available for download on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com)

(2) Bid cum Application Forms for Anchor Investors were available at the offices of the BRLMs

In case of ASBA forms, the relevant Designated Intermediaries uploaded the relevant bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges.

For UPI Bidders using UPI Mechanism, the Stock Exchanges shared the Bid details (including UPI ID) with the Sponsor Banks on a continuous basis to enable the Sponsor Banks to initiate UPI Mandate Request to RIBs for blocking of funds. For ASBA Forms (other than UPI Mechanism) Designated Intermediaries (other than SCSBs) were required to submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and have not submitted it to any non-SCSB bank or any Escrow Collection Bank.

The Sponsor Banks have undertaken a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and have ensured that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Banks have undertaken reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the Managers in the format and within the timelines as specified under the UPI Circulars. Sponsor Banks and issuer banks were required to download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

For all pending UPI Mandate Requests, the Sponsor Banks shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on May 27, 2022, i.e. the first Working Day after the Bid/Issue Closing Date ("**Cut-Off Time**"). Accordingly, RIBs Bidding using through the UPI Mechanism should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

The Sponsor Banks shall host a web portal for intermediaries (closed user group) from the date of Bid/Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process

ELECTRONIC REGISTRATION OF BIDS

(a) The Designated Intermediary could register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries could also set up facilities for off-line electronic registration of Bids, subject to the condition that they could subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.

(b) On the Bid/Issue Closing Date, the Designated Intermediaries uploaded the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.

(c) Only Bids that were uploaded on the Stock Exchanges Platform were considered for allocation/Allotment. The Designated Intermediaries were given till 1:00 pm on the next Working Day following the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange(s) were required to send the bid information to the Registrar to the Issue for further processing.

Participation by Promoters and members of the Promoter Group of the Company, the BRLMs and their associates and affiliates and the Syndicate Members

The BRLMs and the Syndicate Members were be allowed to subscribe to or purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLMs and the Syndicate Members could Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription could be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither (i) the BRLMs or any associates of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associates of the BRLMs) nor (ii) any "person related to the Promoters/ Promoter Group" could apply in the Offer under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights could be deemed to be a "person related to the Promoters/ Promoter Group": (a) rights under a shareholders' agreement or voting agreement entered into with the Promoters or Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Further, an Anchor Investor could be deemed to be an associate of the BRLMs, if: (a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the BRLMs.

The Promoters and members of the Promoter Group were not allowed to participate in the Offer, except to the extent of participation of one of our Promoters in the Offer for Sale.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate was required to be lodged along with the Bid cum Application Form. Failing this, our Company in consultation with the BRLMs reserved the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids were made.

In case of a Mutual Fund, a separate Bid could be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme could invest more than 10% of its NAV in equity shares or equity related instruments of any single company provided that the limit of 10% would not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes could own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs could obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange were considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms could have authorized their respective SCSB to block their Non- Resident External ("**NRE**") accounts, or Foreign Currency Non-Resident ("**FCNR**") Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms could authorize their respective SCSB to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. NRIs applying in the Offer through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form. Participation of Eligible NRIs in the Offer shall be subject to the FEMA Rules.

Eligible NRIs Bidding on non-repatriation basis were advised to use the Bid cum Application Form for residents (White in colour). Eligible NRIs Bidding on a repatriation basis were advised to use the Bid cum Application Form meant for Non-Residents (Blue in colour).

For details of investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 366. Participation of Eligible NRIs shall be subject to the FEMA Non-debt Instruments Rules.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs were required to be made in the individual name of the *Karta*. The Bidder/Applicant was required to have specified that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids/Applications by HUFs would be considered at par with Bids/Applications from individuals.

Bids by FPIs

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations was required to be attached to the Bid cum Application Form, failing which our Company reserved the right to reject any Bid without assigning any reason.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

In terms of the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Non-Debt Instruments Rules, the total holding by each FPI or an investor group shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Non-Debt Instruments Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations was required to be attached to the Bid cum Application Form, failing which our Company reserved the right to reject any Bid without assigning any reason.

A FPI may purchase or sell equity shares of an Indian company which is listed or to be listed on a recognized stock exchange in India, and/ or may purchase or sell securities other than equity instruments

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In terms of the FEMA Non-debt Instruments Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

An FPI issuing offshore derivate instruments is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to, *inter alia*, the following conditions:

(a) each offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and

(b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

The FPIs participating in the Offer were advised to use the Bid cum Application Form for non-residents.

Further, Bids received from FPIs bearing the same PAN were treated as multiple Bids and were liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants which were issued in November 2019 to facilitate implementation of SEBI (Foreign Portfolio Investors) Regulations, 2019 (such structure "**MIM Structure**") provided such Bids were made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who did not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, were required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure and indicate the names of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids were liable to be rejected. Further, in the following cases, the bids by FPIs were not be considered as multiple Bids involving (i) the MIM Structure and indicating the name of their respective investment managers in such confirmation; (ii) offshore derivative instruments ("ODI") which have obtained separate FPI registration for ODI and proprietary derivative investments; (iii) sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration; (iv) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager; (v) multiple branches in different jurisdictions of foreign bank registered as FPIs; (vi) Government and Government related investors registered as Category I FPIs; and (vii) Entities registered as Collective Investment Scheme having multiple share classes.

Bids by SEBI registered VCFs, AIFs and FVCIs

The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 ("**SEBI VCF Regulations**") as amended, *inter alia* prescribe the investment restrictions on VCFs, registered with SEBI. The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 ("**SEBI AIF Regulations**") prescribe, amongst others, the investment restrictions on AIFs. The Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 as amended ("**SEBI FVCI Regulations**") prescribe the investment restrictions on FVCIs.

Accordingly, the holding in any company by any individual VCF or FVCIs (under Schedule I of the FEMA Non-Debt Instruments Rules) registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offering.

Category I and II AIFs cannot invest more than 25% of the investible funds in one investee company. A Category III AIF cannot invest more than 10% of the investible funds in one investee company. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking whose shares are proposed to be listed. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding equity shares of a company prior to an initial public offering being undertaken by such company, shall be exempt from lock-in requirements, Provided that such equity shares shall be locked in for a period of at least six months from the date of purchase by the venture capital fund or alternative investment fund or foreign venture capital investor.

There is no reservation for Eligible NRI Bidders, AIFs and FPIs. All Bidders were treated on the same basis with other categories for the purpose of allocation.

All non-resident investors were required to note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by Eligible Employees

Bids under Employee Reservation Portion by Eligible Employees shall be:

(i) Made only in the prescribed Bid cum Application Form or Revision Form.

(ii) The Bid must be for a minimum of 23 Equity Shares and in multiples of 23 Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹ 500,000. However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid amounting up to ₹ 200,000. In the event of any under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees, who have bid in excess of ₹ 200,000, provided however that the maximum Bid in this category by an Eligible Employee cannot exceed ₹ 500,000.

(iii) The Bidder should be an Eligible Employee as defined above in the DRHP in order to be eligible to apply in this Offer under the Employee Reservation Portion. In case of joint bids, the first Bidder shall be an Eligible Employee.

(iv) Only those Bids, which were received at or above the Offer Price, were considered for Allotment under this category.

(v) Eligible Employees can apply at Cut-off Price.

(vi) Bid by Eligible Employees can be made also in the "Net Offer to the Public" and such Bids were not treated as multiple Bids.

(vii) If the aggregate demand in this category was less than or equal to 111,370 Equity Shares at or above the Offer Price, full allocation would be made to the Eligible Employees to the extent of their demand.

(viii) Under-subscription, if any, in the Employee Reservation Portion was added back to the Net Offer.

In case of under-subscription in the Net Offer, spill over to the extent of under-subscription was permitted from the Employee Reservation Portion subject to the Net Offer constituting 10% of the post-Offer share capital of our Company. If the aggregate demand in this category was greater than 111,370 Equity Shares at or above the Offer Price, the allocation was made on a proportionate basis.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, was required to be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLMs reserved the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee were required to be attached to the Bid cum Application Form, failing which our Company in consultation with the BRLMs reserved the right to reject any Bid without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended, (the "Banking Regulation Act"), and the Master Directions - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the bank's own paid-up share capital and reserves, whichever is lower. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial services company cannot exceed 20% of the investee company's paid up share capital and reserves. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank's interest on loans/investments made to a company. The bank is required to submit a time-bound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make (i) investment in excess of 30% of the paid-up share capital of the investee company, (ii) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and (iii) investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

Bids by SCSBs

SCSBs participating in the Offer were required to comply with the terms of the SEBI circulars (Nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013) dated September 13, 2012 and January 2, 2013. Such SCSBs were required to ensure that for making applications on their own account using ASBA, they were required to have a separate account in their own name with any other SEBI registered SCSBs. Further, such account were required to be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI were required to attach to the Bid cum Application Form. Failing this, our Company in consultation with the BRLMs reserved the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended, are broadly set forth below:

(a) equity shares of a company: the lower of 10%* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer or health insurer;

(b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or health insurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and

(c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or health insurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

**The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹500,000 million or more but less than ₹2,500,000 million.*

Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund was required to be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLMs reserved the right to reject any Bid, without assigning any reason thereof.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million (subject to applicable law) and pension funds with a minimum corpus of ₹250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws were required to be lodged along with the Bid cum Application Form. Failing this, our Company in consultation with the BRLMs reserved the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company and the Promoter Selling Shareholder in consultation with the BRLMs in their absolute discretion, reserved the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company and the Promoter Selling Shareholder in consultation with the BRLMs deemed fit.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditors, and (iii) such other approval as may be required by the Systemically Important NBFCs, were required to be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLMs, reserved the right to reject any Bid without assigning any reason thereof. Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

If the aggregate demand in this portion is greater than 111,370 Equity Shares at or above the Offer Price, the allocation shall be made on a proportionate basis. For the method of proportionate basis of Allotment, see "*Offer Procedure*" beginning on page 349.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below.

(a) Anchor Investor Application Forms were made available for the Anchor Investor Portion at the offices of the BRLMs.

(b) The Bids were required to be made for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100 million. A Bid could not be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate bids by individual schemes of a Mutual Fund were aggregated to determine the minimum application size of ₹ 100 million.

(c) One-third of the Anchor Investor Portion was reserved for allocation to domestic Mutual Funds.

(d) Bidding for Anchor Investors opened one Working Day before the Bid/Offer Opening Date, and was completed on the same day.

(e) Our Company and the Promoter Selling Shareholder, in consultation with the BRLMs finalised allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion is not less than:

- maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100 million;
- minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million, subject to a minimum Allotment of ₹ 50 million per Anchor Investor; and
- in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million, subject to minimum Allotment of ₹ 50 million per Anchor Investor.

(f) Allocation to Anchor Investors was required to be completed on the Anchor Investor Bid/Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation were made, was required to be made available in the public domain by the BRLMs before the Bid/Offer Opening Date, through intimation to the Stock Exchanges.

(g) Anchor Investors were not allowed to withdraw or lower the size of their Bids at any stage after submission of the Bid.

(h) 50% Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked-in for a period of 90 days from the date of Allotment and the remaining 50% shall be locked-in for a period of 30 days from the date of Allotment.

(i) Neither the BRLMs nor any associate of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs, other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the and BRLMs) could apply in the Offer under the Anchor Investor Portion.

(j) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion were not considered as multiple Bids

In accordance with existing regulations issued by the RBI, OCBs cannot participate in this Offer.

The above information is given for the benefit of the Bidders. Our Company, the Promoter Selling Shareholder and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders were advised to make their independent investigations and ensure that any single Bid from them did not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in the Offer Documents.

General Instructions

***Do's*:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines, and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the

ASBA process only;

2. Ensure that you have Bid within the Price Band;

3. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;

4. Ensure that you have mentioned the correct ASBA Account number if you are not an UPI Bidder using the UPI Mechanism in the Bid cum Application Form and if you are an RIB using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;

5. UPI Bidders using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. RIBs shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019;

6. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time;

7. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;

8. If the first applicant is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;

9. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

10. Ensure that you request for and receive a stamped acknowledgement counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

11. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;

12. RIBs Bidding in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID (only for UPI Bidders using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;

13. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

14. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Banks, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of RIBs submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Banks for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

15. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular no. MRD/DoP/Cir-20/2008 dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

16. Ensure that the Demographic Details are updated, true and correct in all respects;

17. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

18. Ensure that the category and the investor status is indicated in the Bid cum Application Form;

19. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;

20. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;

21. Since the Allotment will be in demat form only, ensure that the Bidder's depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;

22. Ensure that when applying in the Offer using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;

23. UPI Bidders who wish to Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which UPI Bidders should ensure acceptance of the UPI Mandate Request received from the Sponsor Banks to authorise blocking of funds equivalent to the revised Bid Amount in the UPI Bidder's ASBA Account;

24. In case of QIBs and Non Institutional Bidders, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in);

25. Anchor Investors should submit the Anchor Investor Application Forms to the BRLMs;

26. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Banks prior to 12:00 p.m. on May 27, 2022, i.e. the Working Day immediately after the Bid/ Offer Closing Date;

27. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;

28. RIBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RIB may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Banks to block the Bid Amount mentioned in the Bid Cum Application Form; and

29. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and RIBs bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in).

30. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLMs.

31. Bids by eligible NRIs for a Bid Amount of less than ₹ 200,000 would be considered under the Retail category for the purposes of allocation and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional category for allocation in the Offer.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Dont's:

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;

3. Do not Bid for a Bid Amount exceeding ₹200,000 (for Bids by Retail Individual Bidders);

4. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;

5. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

6. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

7. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

8. Do not submit the Bid for an amount more than funds available in your ASBA account.

9. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;

10. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;

11. If you are a UPI Bidder and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;

12. Anchor Investors should not Bid through the ASBA process;

13. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;

14. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

15. Do not submit the General Index Register (GIR) number instead of the PAN;

16. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;

17. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

18. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

19. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;

20. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;

21. Do not Bid on another ASBA Form or the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;

22. Do not Bid for Equity Shares in excess of what is specified for each category;

23. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for, exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;

24. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage if you are a QIB or a Non-Institutional Bidder. Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion can revise or withdraw their Bids on or before the Bid/Offer Closing Date;

25. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;

26. If you are an RIB which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or third party linked bank account UPI ID;

27. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;

28. Do not submit more than one Bid cum Application Form for each UPI ID in case of RIBs Bidding using the UPI Mechanism;

29. Do not submit a Bid cum Application Form with a third-party UPI ID or using a third party bank account (in case of Bids

submitted by UPI Bidders using the UPI Mechanism);

30. If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid / Offer Closing Date;

31. RIBs Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned in the list provided on the SEBI website is liable to be rejected;and

32. Do not Bid if you are an OCB.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Offer or post Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer. For details of our Company Secretary and Compliance Officer, see "*General Information*" on page 66.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the BRLMs and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any allotment in excess of the Equity Shares through the Red Herring Prospectus and this Prospectus except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than one per cent of the Offer may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the Retail Individual Bidders, Non Institutional Bidders and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Bidders Portion, and the remaining available shares, if any, shall be allotted on a proportionate basis.

The allotment to each Non-Institutional Bidder shall not be less than the Minimum NIB Application Size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis.

Payment into Escrow Account(s) for Anchor Investors

Our Company and the Promoter Selling Shareholder in consultation with the BRLMs, in their absolute discretion, have decided the list of Anchor Investors to whom the CAN were sent, pursuant to which the details of the Equity Shares allocated to them in their respective names were notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account(s) were required to be drawn in favour of:

(a) In case of resident Anchor Investors: "AETHER INDUSTRIES LIMITED - IPO - ANCHOR ESCROW ACCOUNT-R"

(b) In case of Non-Resident Anchor Investors: "AETHER INDUSTRIES LIMITED - IPO - ANCHOR ESCROW ACCOUNT-NR"

Anchor Investors were advised to note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Promoter Selling Shareholder and the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer Advertisement

Our Company has, after filing the Red Herring Prospectus with the RoC, published a pre- Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (i) all editions of Financial Express, an English national daily newspaper, (ii) all editions of Jansatta, a Hindi national daily newspaper, and (iii) Surat editions of Gujaratmitra and Gujaratdarpan, Gujarati newspaper, Gujarati being the regional language of Gujarat, where our Registered and Corporate Office is located, each with wide circulation.

In the pre-Offer advertisement, we have stated the Bid/Offer Opening Date and the Bid/ Offer Closing Date. This advertisement, was in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

The above information was given for the benefit of the Bidders/applicants. Our Company, the Promoter Selling Shareholder and the Members of the Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Bidders/applicants were advised to make their independent investigations and ensure that the number of Equity Shares Bid for did not exceed the prescribed limits under applicable laws or regulations.

Signing of the Underwriting Agreement and the RoC Filing

(a) Our Company, the Promoter Selling Shareholder and the Underwriters have entered into an Underwriting Agreement.

(b) After signing the Underwriting Agreement, an updated Red Herring Prospectus is being filed with the RoC in accordance with applicable law, which is termed as the 'Prospectus'. This Prospectus contains details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and is complete in all material respects.

Undertakings by our Company

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors;

- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken within six Working Days of the Bid/Offer Closing Date or such other period as may be prescribed by the SEBI;

- if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and applicable law for the delayed period;

- the funds required for making refunds to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

- Except for Equity Shares the Equity Shares allotted pursuant to the Offer and the Pre-IPO Placement, no further issue of the Equity Shares shall be made until the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.

- Our Company and the Promoter Selling Shareholder, in consultation with the BRLMs, reserves the right not to proceed with the Fresh Issue, in whole or in part thereof, to the extent of the Offered Shares, after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed.

- If our Company and the Promoter Selling Shareholder, in consultation with the BRLMs withdraws the Offer after the Bid/ Offer Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI.

Undertakings by the Promoter Selling Shareholder

The Promoter Selling Shareholder undertakes in respect of itself as a selling shareholder and its portion of the Equity Shares offered by it in the Offer for Sale that:

- the Equity Shares offered for sale by the Promoter Selling Shareholder in the Offer are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations;

- the Equity Shares being offered for sale by the Promoter Selling Shareholder pursuant to the Offer are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges, or any other encumbrances and shall be in dematerialized form at the time of transfer;

- it shall deposit its Equity Shares offered for sale in the Offer in an escrow demat in accordance with the share escrow agreement to be executed between the parties to such share escrow agreement;

- that it shall provide such reasonable assistance to our Company and the BRLMs in redressal of such investor grievances that pertain to the Equity Shares held by it and being offered pursuant to the Offer;

- it shall provide such reasonable cooperation to our Company in relation to the Equity Shares offered by it in the Offer for Sale for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges; and

- it shall not have recourse to the proceeds of the Offer until final approval for trading of the Equity Shares from the Stock Exchanges has been received.

The decisions with respect to the Price Band, the minimum Bid lot, revision of Price Band, Offer Price, will be taken by our Company and the Promoter Selling Shareholder in consultation with the BRLMs.

Utilisation of Offer Proceeds

Our Board of Directors certifies and declares that:

- all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;

- details of all monies utilised out of the Offer shall be disclosed, and continue to be disclosed till the time any part of the Fresh Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and

- details of all unutilised monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested.

The Company and the Promoter Selling Shareholder, specifically confirm and declare that all monies received out of the Offer shall be transferred to a separate bank account other than the bank account referred to in sub-section 3 of Section 40 of the Companies Act, 2013.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who -

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹ 1 million or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 5 million or with both.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment ("**FDI**") through press notes and press releases. The DPIIT, issued the Consolidated FDI Policy Circular of 2020 ("**FDI Policy**"), which, with effect from October 15, 2020, subsumes and supersedes all press notes, press releases, clarifications, circulars issued by the DPIIT, which were in force as on October 15, 2020. The FDI Policy will be valid and remain in force until superseded in totality or in part thereof.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Non-Debt Rules, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the FDI Policy and the FEMA Non-Debt Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder was required to intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Offer Period.

Foreign Exchange Laws

The foreign investment in our Company is governed by *inter alia* the FEMA, the FEMA Non-debt Instruments Rules, the FDI Policy issued and amended by way of press notes, and the SEBI FPI Regulations.

In terms of the FEMA Non-debt Instruments Rules, a person resident outside India may make investments into India, subject to certain terms and conditions, and provided that an entity of a country, which shares land border with India or the beneficial owner of an investment into India who is situated in or is a citizen of any such country, shall invest only with government approval.

In terms of the FEMA Non-debt Instruments Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. The aggregate limit for FPI investments shall be the sectoral cap applicable to our Company. In accordance with the FEMA Non-debt Instruments Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed five percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in 'offshore transactions' as defined in, and in reliance on, Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company, the Promoter Selling Shareholder and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur

after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION X: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

ARTICLES OF ASSOCIATION
OF

AETHER INDUSTRIES LIMITED

COMPANY LIMITED BY SHARES
(INCORPORATED UNDER THE COMPANIES ACT, 1956)

CONSTITUTION OF THE COMPANY

1. Subject to hereinafter provided the Regulations contained in Table 'F' in the First Schedule to the Companies Act, 2013 shall apply to the Company.

2. The Regulations for the management of the Company and for the observance of the members thereof shall be such as are contained in these Articles subject, however to the exercise of the statutory powers of the Company in respect of repeal, additions, alterations, substitutions, modifications and variations thereto by Resolution as prescribed by the Companies Act, 2013 or any statutory modification thereof in force.

3. Subject to Article 2 hereunder, unless repugnant to the context, the words and expressions contained in these Articles shall bear the same meaning as in the Companies Act, 2013 or any statutory modification thereof in force.

INTERPRETATION

4. In these articles –

   a) "the Act" means the Companies Act, 2013 and the Rules made there under or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable Section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable.
   b) Company means the "AETHER INDUSTRIES LIMITED"
   c) Articles means the Articles of Association of the Company or as altered from time to time.
   d) Board means the Board of Directors for the time being of the Company.
   e) Seal means the common seal of the Company.

SHARE CAPITAL AND VARIATION OF RIGHTS

5. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or at a discount and at such time as they may from time to time think fit and with sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the directors thinks fit, and may issue ad allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the company In the General Meeting.

6. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,-

   (a) one certificate for all his shares without payment of any charges; or

   (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

   (ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

(iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

7. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(ii) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.

8. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

9. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rule made thereunder.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

10. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these regulations relating general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

11. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further share ranking pari passu therewith.

12. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

SUB DIVISION, CONSOLIDATION AND CANCELLATION OF SHARE CERTIFICATE

13. Subject to the provisions of the Act, the Company in its General Meetings may, by an Ordinary Resolution, from time to time:

(a) increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient;
(b) divide, sub-divide or consolidate its shares, or any of them, and the resolution whereby any share is sub-divided, may determine that as between the holders of the shares resulting from such sub-division one or more of such shares have some preference or special advantage in relation to dividend, capital or otherwise as compared with the others;
(c) cancel shares which at the date of such General Meeting have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled;
(d) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; provided that any consolidation and division which results in changes in the voting percentage of Members shall require applicable approvals under the Act; and

(e) convert all or any of its fully paid-up shares into stock and reconvert that stock into fully paid-up shares of any denomination.

LIEN

14. (*i*) The company shall have a first and paramount lien—

(*a*) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(*b*) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to wholly or in part exempt from the provisions of this clause.

(*ii*) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

15. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made—

(*a*) unless a sum in respect of which the lien exists is presently payable; or

(*b*) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

16. (*i*) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(*ii*) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(*iii*) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

17. (*i*) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(*ii*) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

That fully paid up shares shall be free from all lien and that in the case of partly paid shares, the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

CALLS ON SHARES

18. (*i*) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(*ii*) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified the amount called on his shares.

(*iii*) A call may be revoked or postponed at the discretion of the Board.

19. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.

20. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

21. That option or right to call of shares shall not be given to any person except with the sanction of the Company in general meetings.

22. (*i*) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.

(*ii*) The Board shall be at liberty to waive payment of any such interest wholly or in part.

23. (*i*) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(*ii*) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

24. The Board—

(*a*) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(*b*) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance.

FURTHER ISSUE OF SHARES

25. Where at any time after the expiry of two years from the formation of the company or at any time alter the expiry of ore year from the allotment of shares in the company made for the first time after its formation, whichever Is earlier, it Is proposed to increase the subscribed capital of the company by allotment of further Shares then:

(a) Such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the company, in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date;
(b) The offer aforesaid shall be made by a notice specifying the number of Shares offered and limiting a time not being less than thirty days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;
(c) The offer aforesaid shall be deemed to Include a right exercisable by the person concerned to renounce the shares offered to htm or any of them in favour of any other person and the notice referred to in sub-clause (b) shall contain a statement of this right;
(d) After the expiry of the time specified In the notice aforesaid, or on receipt of earlier Intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the company.

26. Notwithstanding anything contained in Article 25, the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of Article 25) in any manner whatsoever.
(a) If a special resolution to that effect is passed by the company in general meeting, or
(b) Where no such resolution Is passed, If the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained In the resolution moved in that general meeting (Including the casting vote, If any, of the Chairman) by members who, being entitled so to do, vote In person, or where proxies are allowed, by proxy, exceed the votes, If any, cast against the proposal by members, so entitled and voting and the Central Government Is satisfied, on an application made by the Board of Directors in this behalf, that the proposal Is most beneficial to the company.

27. Nothing in sub-clause (c) Article 25 shall be deemed:
(a) To extend the time within which the offer should be accepted; or
(b) To authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the

renunciation.

28. Nothing in Article 25, 26 or 27 shall apply to the Increase of the subscribed capital of the company caused by the exercise of an option attached to the debentures Issued by the company:
   (i) To convert such debentures or loans into shares in the company; or
   (ii) To subscribe for shares in the company

PROVIDED THAT the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:
   (a) Either has been approved by the central Government before the issue of debentures or the raising of the loans or is in conformity with Rules, if any, made by that Government in this behalf; and
   (b) In the case of debentures or loans or other than debentures Issued to, or loans obtained from the Government or any Institution specified by the Central Government In this behalf, has also been approved by the special resolution passed by the company In General Meeting before the Issue of the loans.

TERM OF ISSUE OF DEBENTURE

29. Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the company in the General Meeting by a Special Resolution.

TRANSFER OF SHARES

30. (*i*) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(*ii*)The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

31. The Board may, subject to the right of appeal conferred by section 58 decline to register—

(*a*) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
(*b*) any transfer of shares on which the company has a lien.

32. The Board may decline to recognise any instrument of transfer unless—

(*a*) the instrument of transfer is in the form as prescribed in rules made under sub-section (*1*) of section 56;

(*b*) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(*c*) the instrument of transfer is in respect of only one class of shares.

33. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

34. Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

35. The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any shares. The Company shall also use a common form of transfer.

36. Subject to the provisions of these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may (at its own absolute and uncontrolled discretion) decline or refuse by giving reasons, whether in pursuance of any power of the Company under these Articles or otherwise, to register or acknowledge any transfer of, or the transmission by operation of law of the right to, any securities or interest of a Member in the Company, after providing sufficient cause, within a period of one month or such other period as prescribed under applicable laws, from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered

to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of transfer of any securities shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons, indebted to the Company on any account whatsoever except where the Company has a lien on shares. Transfer of shares/ debentures in whatever lot shall not be refused.

TRANSMISSION OF SHARES

37. (*i*) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a shareholder, shall be the only persons recognized by the company as having any title to his interest in the shares.

(*ii*) Nothing in clause (*i*) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

38. (*i*) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—

(*a*) to be registered himself as holder of the share; or

(*b*) to make such transfer of the share as the deceased or insolvent member could have made.

(*ii*) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

39. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(*ii*) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(*iii*) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

40. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have complied with.

NO FEE ON TRANSFER OR TRANSMISSION

41. No· fee shall be charged for registration of transfer, transmission, probate, succession certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document.

FORFEITURE OF SHARES

42. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

43. The notice aforesaid shall—

(*a*) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and (*b*) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

44. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect

45. (*i*) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(*ii*) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

46. (*i*) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(*ii*) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

47. (*i*) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(*ii*) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(*iii*) The transferee shall thereupon be registered as the holder of the share; and

(*iv*) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

48. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

ALTERATION OF CAPITAL

49. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

50. Subject to the provisions of section 61, the company may, by ordinary resolution,—

(*a*) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(*b*) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(*c*) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(*d*) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

51. Where shares are converted into stock,—

a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

52. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—

(*a*) its share capital;

(*b*) any capital redemption reserve account; or

(*c*) any share premium account.

CAPITALISATION OF PROFITS

53. (*i*) The company in general meeting may, upon the recommendation of the Board, resolve—

(*a*) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(*b*) that such sum be accordingly set free for distribution in the manner specified in clause (*ii*) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(*ii*) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (*iii*), either in or towards—

(a) paying up any amounts for the time being unpaid on any shares held by such members respectively.

(b) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(c) partly in the way specified in sub-clause (*A*) and partly in that specified in sub-clause (b);

(d) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(e) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

54. (*i*) Whenever such a resolution as aforesaid shall have been passed, the Board shall.

(*a*) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

(*b*) generally do all acts and things required to give effect thereto.

(*ii*) The Board shall have power—

(*a*) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(*b*) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(*iii*) Any agreement made under such authority shall be effective and binding on such members.

BUY-BACK OF SHARES

55. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

GENERAL MEETINGS

56. All general meetings other than annual general meeting shall be called extraordinary general meeting.

57. (*i*) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(*ii*) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

PROCEEDINGS AT GENERAL MEETINGS

58. (*i*) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(*ii*) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

59. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

60. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

61. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

ADJOURNMENT OF MEETING

62. (*i*) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(*ii*) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(*iii*) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(*iv*) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING RIGHTS

63. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—

(*a*) on a show of hands, every member present in person shall have one vote; and

(*b*) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

64. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

65. (*i*) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(*ii*) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

66. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

67. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

68. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

69. (*i*) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(*ii*) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

PROXY

70. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

71. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

72. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

73. The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them.

74. (*i*) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(*ii*) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

(*a*) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(*b*) in connection with the business of the company.

75. The Board may pay all expenses incurred in getting up and registering the company.

76. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that (section) make and vary such regulations as it may thinks fit respecting the keeping of any such register.

77. All cheques, promissory notes, drafts, *hundis*, bills of exchange and other negotiable instruments, and all receipts for

monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

78. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

79. (*i*) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(*ii*) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

PROCEEDINGS OF THE BOARD

80. (*i*) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(*ii*) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

(*i*) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(*ii*) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

81. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

82. (*i*) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

(*ii*) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

83. (*i*) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

(*ii*) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

84. (*i*) A committee may elect a Chairperson of its meetings.

(*ii*) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

85. (*i*) A committee may meet and adjourn as it thinks fit.

(*ii*) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

86. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

87. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

88. Subject to the provisions of the Act,—

(*i*) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(*ii*) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

89. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

THE SEAL

90. (*i*) The Board shall provide for the safe custody of the seal.

(*ii*) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDENDS AND RESERVE

91. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

92. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

93. (*i*) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.

(*ii*) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

94. (*i*) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(*ii*) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

95. Any amount paid up in advance of calls on any share may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits.

96. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

97. Any amount paid up in advance of calls on any share may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits.

98. (i) Any dividend, interest or other monies payable in cash in respect of shares maybe paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders,to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(*ii*) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

99. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

100. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

101. No dividend shall bear interest against the company.

102. No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law.

ACCOUNTS

103. (*i*) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

(*ii*) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

WINDING UP

104. Subject to the provisions of Chapter XX of the Act and rules made thereunder—

(*i*) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(*ii*) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(*iii*) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

SECTION XI: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of the Red Herring Prospectus) which were attached to the copy of the Red Herring Prospectus and which will be attached to the copy of this Prospectus, which will be delivered to the RoC for filing. Copies of the abovementioned contracts and also the documents and contracts for inspection referred to hereunder, could have been inspected at the Registered and Corporate Office between 10 a.m. and 5 p.m. on all Working Days from the date of the Red Herring Prospectus until the Bid/Offer Closing Date (except for such agreements executed after the Bid/Offer Closing Date). Copies of the documents for inspection referred to hereunder, were also available on the website of the Company at https://aether.co.in/investor-relations/ from the date of the Red Herring Prospectus until the Bid/Offer Closing Date (except for such agreements executed after the Bid/Offer Closing Date). Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time, if so required, in the interest of our Company, or if required by the other parties, without reference to the Shareholders, subject to compliance with the provisions of the Companies Act and other applicable law.

A. Material Contracts for the Offer

1. Offer agreement dated December 28, 2021, as amended pursuant to amendment agreement to the Offer Agreement dated May 7, 2022, between our Company, the Promoter Selling Shareholder and the BRLMs;

2. Registrar agreement dated December 16, 2021, as amended pursuant to amendment agreement to the Registrar Agreement dated May 7, 2022, amongst our Company and the Registrar to the Offer;

3. Cash escrow and sponsor bank agreement dated May 16, 2022 amongst our Company, the Registrar to the Offer, the BRLMs, the Escrow Collection Bank(s), Public Offer Account Bank(s), Sponsor Banks and the Refund Bank(s);

4. Share escrow agreement dated May 16, 2022 entered into amongst the Promoter Selling Shareholder, our Company and a share escrow agent.

5. Syndicate agreement dated May 16, 2022 amongst our Company, the BRLMs, the Syndicate Members and the Registrar to the Offer;

6. Underwriting agreement dated May 27, 2022 amongst our Company and the Underwriters; and

7. Monitoring agency agreement dated May 16, 2022 amongst our Company and the Monitoring Agency.

B. Material Documents

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company as amended from time to time;

2. Certificate of incorporation dated January 23, 2013;

3. Resolutions of the Board of Directors dated April 28, 2022, in relation to the Offer and other related matters;

4. Consent of Purnima Ashwin Desai dated April 27, 2022 in relation to the Offer;

5. Shareholders’ resolution dated April 28, 2022 , in relation to this Offer and other related matters;

6. Examination report dated April 28, 2022, of our Statutory Auditors on our Restated Financial Statements, included in this Prospectus;

7. Copies of the annual reports of the Company for the Fiscal Years 2021, 2020 and 2019;

8. The statement of special tax benefits dated May 7, 2022, from the Statutory Auditors;

9. Consent of the Directors, the BRLMs, the Syndicate Members, the Legal Counsel to our Company, Legal Counsel to the BRLMs as to Indian Law, International Legal Counsel to the BRLMs, the Registrar to the Offer, the Escrow Collection Bank(s), Refund Banks(s), Sponsor Banks, Public Offer Account Bank, the Bankers to our Company, the Company Secretary and Compliance Officer, the Monitoring Agency and the Chief Financial Officer, to act in their respective capacities;

10. Consent of Statutory Auditors, M/s. Birju S. Shah & Associates, Chartered Accountants, to include their name in this Prospectus and as an "Expert" defined under Section 2(38) of the Companies Act, 2013, read with Section 26(5) of the Companies Act, 2013, in respect of the examination report of the Auditors on the Restated Financial Statements dated April 28, 2022, and the statement of special tax benefits dated May 7, 2022, included in this Prospectus but not construing to be "experts" as defined under the Securities Act;

11. Share Subscription Agreement dated November 23, 2021 entered into by and amongst the Company, India Acorn Fund Ltd and Ashoka India Equity Investment Trust Plc;

12. Share Subscription Agreement dated November 23, 2021 entered into by and amongst the Company and IIFL Special Opportunities Fund- Series 9;

13. Share Subscription Agreement dated November 23, 2021 entered into by and amongst the Company, Namrata Doshi, Piyush Rameshchandra Doshi, Ruchira Surendra Manjrekar, Surendra Keshav Manjrekar, Sourabh Manjrekar, Ravindra Shridhar Khot, Kamalvijay Ramchandra Tulsian, Pooja Prayank Agarwal, Amit Bharatkumar Tulsian, Ankur Shyamsunder Tulsian, Sanat Sushilkumar Tulsian, Commerce Centre Pharmachem LLP, Dilip Digambar Ravetkar, KP and Sons HUF, Vinodbhai Bhavanbhai Parmar and Ankit Dalmia;

14. Share Subscription Agreement dated March 14, 2022 entered into by and amongst the Company and IIFL Special Opportunities Fund- Series 9;

15. Share Subscription Agreement dated March 14, 2022 entered into by and amongst the Company and IIFL Special Opportunities Fund- Series 10;

16. Share Subscription Agreement dated March 14, 2022 entered into by and amongst the Company and SBI Fund Management Limited;

17. Share Subscription Agreement dated March 14, 2022 entered into by and amongst the Company, India Acorn Fund Limited and Ashoka India Equity Investment Trust Plc;

18. Share Subscription Agreement dated April 28, 2022 entered into by and amongst the Company and The Regents of the University of California – IIFL Asset Management Limited;

19. Consent of Dr. Pankaj Jayantilal Gandhi, Chartered Engineer, to include his name in this Prospectus and as an "Expert" defined under Section 2(38) of the Companies Act, 2013 in respect of the certificate dated May 16, 2022;

20. Consent from F&S dated May 7, 2022, to include contents or any part thereof from their report titled "*Indian Chemicals and Specialty Chemicals Market Report*" dated May 2022 in this Prospectus;

21. Letter of agreement with F&S dated August 24, 2021 entered into exclusively for the purpose of this Offer;

22. Report titled "*Indian Chemicals and Specialty Chemicals Market Report*" dated May 2022, prepared and issued by F&S and commissioned by our Company for an agreed fees;

23. Resolution of the Board dated April 28, 2022 approving the Pre-IPO Placement;

24. Resolution of the Shareholders of our Company dated April 28, 2022 approving the Pre-IPO Placement;

25. Personal Guarantees given by Purnima Ashwin Desai (Promoter Selling Shareholder) to HDFC Bank Limited and State Bank of India Limited;

26. In principle listing approvals dated January 18, 2022 and January 19, 2022 issued by BSE and NSE respectively;

27. Tripartite agreement dated September 23, 2021 between our Company, NSDL and the Registrar to the Offer;

28. Tripartite agreement dated September 20, 2021 between our Company, CDSL and the Registrar to the Offer;

29. Due diligence certificate dated December 28, 2021, addressed to the SEBI from the BRLMs; and

30. SEBI's observation letter number SEBI/HO/CFD/DIL2/P/OW/2022/18018/1 dated April 27, 2022 and observation letter number SEBI/HO/CFD/DIL2/P/OW/2022/19162/1 dated May 5, 2022.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Ashwin Jayantilal Desai
Managing Director

Place: Surat
Date: 27-05-2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Purnima Ashwin Desai
Whole-time Director

Place: Surat
Date: 27-05-2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Rohan Ashwin Desai
Whole-time Director

Place: Surat
Date: 27-05-2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Dr. Aman Ashvin Desai
Whole-time Director

Place: Surat
Date: 27-05-2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Kamalvijay Ramchandra Tulsian
Chairperson and Non-Executive Director

Place: Surat
Date: 27-05-2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Manjrekar

Ishita Surendra Manjrekar
Non-Executive Director

Place: Mumbai
Date: 27-05-2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Rajkumar Mangilal Borana
Non-Executive Independent Director

Place: Surat
Date: 27-05-2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Jitendra PopatlalVakharia
Non-Executive Independent Director

Place:Surat
Date: 27-05-2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Leja Satish Hattiangadi
Non-Executive Independent Director

Place: Mumbai
Date: 27-05-2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Jeevan Lal Nagori
Non-Executive Independent Director

Place: Mumbai
Date: 27-05-2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Arun Brijmohan Kanodiya
Non-Executive Independent Director

Place: Surat
Date: 27-05-2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Dr. Amol Arvindrao Kulkarni
Non-Executive Independent Director

Place: Pune
Date: 27-05-2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY THE PROMOTER SELLING SHAREHOLDER

P Desai

Purnima Ashwin Desai

Place: Surat
Date: 27-05-2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Faiz Arif Nagariya
Chief Financial Officer

Place: Surat
Date: 27-05-2022